Alberta Seniors and Housing

Annual Report
2015-16

Alberta
Government

Note to Readers:
Copies of the annual report are available on the Seniors and Housing website **www.seniors-housing.alberta.ca**

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Alberta Seniors and Housing

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Management Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, consolidated financial statements of the province, and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's *Strategic Plan*.

This annual report of the Ministry of Seniors and Housing contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry, including the Department of Seniors and Housing and provincial agencies for which the minister is responsible; and
- other financial information as required by the *Financial Administration Act* and *Fiscal Management Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2015 was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 1, 2016 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Lori Sigurdson
Minister of Seniors and Housing

Message from the Minister

I am honoured to serve as Alberta's Minister of Seniors and Housing and for the opportunity to present my Ministry's 2015-16 annual report.

In February 2016, the Ministry's name changed to Seniors and Housing, which better reflects the Ministry's work. The new name describes the Ministry's mandate to provide a wide range of supports – from seniors benefit programs to safe, affordable housing for seniors, families and those with special needs.

The number of seniors in our province is growing and becoming an increasingly significant portion of the overall population. Every day, 60 Albertans become new seniors. By 2030, there will be more than one million seniors in our province, which means one in five Albertans will be a senior. That also means we need to have the right programs, supports and services to meet the needs of seniors.

I am proud of the work my Ministry completed over the past year to support our seniors and help meet their needs. Through the Alberta Seniors Benefit, more than 150,000 seniors received financial assistance to help them continue living independently in their communities. Other support programs provided financial help for seniors for health and personal supports, home repairs, appliance purchases and the ability to defer property taxes which help seniors remain in their own homes and communities.

Seniors and Housing also worked to promote the safety and well-being of Alberta's seniors by leading initiatives to prevent and address elder abuse, encourage age-friendly initiatives in communities and contribute to developing affordable and accessible transportation options.

Through the Affordable Supportive Living Initiative, my Ministry provided capital grants for 25 projects that will increase the number of long-term and dementia care spaces and supports our government's goal of creating 2,000 new spaces over the next four years. This program was transferred to the Ministry of Health on April 1, 2016.

The Ministry provided housing support for approximately 118,000 low-income and vulnerable Albertans. Our government continued to invest in the renewal and replacement of our aging seniors lodges and to upgrade fire and safety systems in lodges and care facilities.

I am proud of my Ministry's achievements during the past year and I am looking forward to an even brighter future. Our government has committed significant and much-needed capital funding for affordable housing projects over the next five years. Seniors and Housing will also develop a provincial affordable housing strategy and review and update regulations under the *Alberta Housing Act*.

The work we are doing on affordable housing will further improve the system for Albertans now and in the future. My Ministry will continue to offer supports for low and moderate income seniors to help them live in dignity and lead healthy, independent lives.

I look forward to continuing the Ministry's work for the benefit of Albertans.

[Original signed by]

Honourable Minister Lori Sigurdson
Minister of Seniors and Housing

Management's Responsibility for Reporting

The Ministry of Seniors and Housing includes:

- the Department of Seniors and Housing; and
- the Alberta Social Housing Corporation

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Seniors and Housing. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – goals, performance measures and related targets match those included in the Ministry's Budget 2015.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under Ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Seniors and Housing the information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executives of the individual entities within the Ministry.

(Original signed by)

Shannon Marchand
Deputy Minister of Seniors and Housing
June 1, 2016

Results Analysis

Ministry Overview

The Ministry includes three divisions, Housing, Seniors Services, and Strategic Services, as well as the Alberta Social Housing Corporation (ASHC). Human Resources and Communications branches and Strategic Services Division provide support services to the Ministry.

The Ministry's Housing and Seniors Services divisions deliver a number of distinct programs to meet the needs of Albertans. Administering these programs together in one ministry creates opportunities for government to better integrate and align its policies and services for seniors and Albertans in need of affordable housing options.

Key Program Areas - Housing

Pursuant to the *Alberta Housing Act* and associated regulations, the Ministry of Seniors and Housing is responsible for Alberta's seniors' lodges and social and affordable housing. Much of this work is done through ongoing relationships and partnerships with provincial housing providers. This includes the 108 housing management bodies (HMBs) that operate housing programs for the Ministry throughout the province and over 200 municipalities and non-profit and private for-profit housing providers.

During the 2015-2016 year, the Alberta government provided support for over 65,000 households, aiding approximately 118,000 low-income and vulnerable Albertans. A total of $221 million in operating funding was provided to existing programs. This includes over 47,000 units owned and supported by the ASHC and operated by public housing management bodies. The replacement value of these housing units is estimated at $7.2 billion.

※ Housing Programs and Activities

Rent Supplement Programs
These programs provide financial assistance to HMBs to assist households in need to obtain and maintain affordable and suitable rental accommodation. These two programs are the Private Landlord Rent Supplement program and Direct to Tenant Rent Supplement program.

Community Housing Program
Subsidized rental housing is provided through HMBs for low and moderate-income individuals and families.

Seniors' Self-Contained Housing Program
Apartment-type accommodation is provided through HMBs to low and moderate-income seniors who remain functionally independent.

Seniors' Lodge Program
The lodge program provides supportive housing services through HMBs, including three meals per day, weekly housecleaning, recreation opportunities and 24-hour staff onsite to functionally independent seniors.

Special Needs Housing

The Ministry works with the federal government to provide funding to HMBs and non-profit organizations for special needs housing options such as group homes for persons with disabilities. These housing options may include support services for residents with health issues or disabilities and victims of family violence and wards of the provincial government.

※ Capital Initiatives

Fire and Safety

The province has committed $80 million to address fire code and safety issues (including the installation of sprinklers and associated fire alarm systems) in government owned and supported seniors' lodge and continuing care facilities. The upgrade project began in 2015-16, continues through 2016-17 and concludes by the end of 2017-18. This project will see 4,800 seniors lodge units and 1,800 contracted supportive living and long-term care spaces brought up to current building code.

Lodge Renewal Initiative

Since 2011/12, through capital development funding under the Rural and Urban Lodge Renewal Initiative, the provincial and federal governments have committed $435 million in funding to develop or modernize approximately 2,020 lodge and seniors' self-contained units across the province. In addition, HMBs and municipalities are contributing over $98 million toward these units plus an additional 80 units of seniors self-contained. In 2015-16 four projects were completed: Fort Saskatchewan's Dr. Turner Lodge, phase one of the Bonny Lodge apartments, Drayton Valley's Lodge upgrade and addition, and the restoration of the Bethany Lodge following the fire in 2011. There are currently 37 active seniors housing renewal projects, including 11 projects that are under construction.

Affordable Housing

From 2002 to 2012, the provincial government allocated a $1.41 billion investment of federal and provincial funding for the development of nearly 16,800 affordable housing units. Funding was delivered through a variety of grant programs. Units developed through these programs must be offered to eligible tenants for at least 10 per cent below local market rental rates. Construction continues on the 3,777 units remaining, with completion targeted before 2018.

Capital Supportive Living Programs

Since 1999 when the supportive living capital grant funding programs commenced, the province has committed $833 million in funding to develop or improve more than 13,000 supportive living spaces across the province. The current grant funding agreements for all projects require the operator to maintain rent for these funded units at the rate set by the government for long-term care units for 30 years.

The Affordable Supportive Living Initiative (ASLI), the most recent capital grant funding program, commenced in 2007-2008. The program provides funding to develop long-term care and affordable supportive living spaces. Along with home care and long-term care, supportive living is a part of the spectrum of continuing care in Alberta.

Flood Recovery Efforts for First Nations Housing

Alberta Seniors and Housing continues to support the Ministry of Indigenous Relations as it responds to the effects of the 2013 flood on the Siksika and Stoney First Nations. On the Stoney Nation, 514 storm-affected homes were identified for repair and 25 for replacement. On the Siksika Nation, the province is working with the Nation to replace 136 homes affected by the flooding. The province has invested significant resources to help the Nations' address housing need, including over-housing, issues with septic and cistern systems and other housing conditions.

Key Program Areas - Seniors Services

Alberta is currently home to over half a million people over age 65 – approximately 12 per cent of Alberta's population. Every day the number of seniors in Alberta increases by roughly 60 people. According to current projections there will be approximately one million seniors in Alberta by 2030. A number of ministry programs are offered to assist Alberta's seniors in their daily lives, including the Alberta Seniors Benefit, Special Needs Assistance for Seniors and Seniors Property Tax Deferral, all of which provide direct financial assistance to vulnerable seniors.

※ Seniors Benefit Programs

Alberta Seniors Benefit (ASB)

ASB is an income-based program targeted to helping lower-income seniors. This monthly financial benefit is intended to supplement the federal government's Old Age Security and Guaranteed Income Supplement programs. About 150,000 seniors in Alberta currently receive ASB.

Supplementary Accommodation Benefit (SAB)

The ASB program also provides the Supplementary Accommodation Benefit to approximately 12,000 lower income seniors who reside in long-term care or designated supportive living facilities. This benefit ensures these individuals have $315 disposable income each month after paying facility accommodation charges.

Special Needs Assistance for Seniors (SNA)

SNA is a bundled approach to assisting seniors that is unique to Alberta. This program provides lower-income seniors financial assistance for some of the costs of appliances, essential home repairs and a range of health and personal supports.

Seniors Property Tax Deferral (SPTD)

SPTD is a voluntary program that allows seniors to defer all or part of their property taxes through a low-interest home equity loan from the Alberta government. Government pays the property taxes on the senior's behalf, and the senior repays the loan, at low interest, when the home is sold or any time before that if they wish. The program frees up money for other expenses and helps seniors maintain independence in their homes and communities.

※ Engagement with Seniors, Stakeholders and Communities

Alberta Seniors and Housing engages with government and community partners to develop strategic policy initiatives, and provides information on programs and services for seniors, their families, and service providers.

Senior's Events and Initiatives

The Ministry partners with stakeholders to deliver events such as Seniors' Week, the Minister's Seniors Service Awards, and the Grey Matters Conference to recognize seniors, support the contributions of senior-serving organizations and to increase information sharing on issues of relevance to Alberta seniors.

The Ministry also works to promote the safety and wellbeing of Alberta's aging population by leading initiatives aimed at preventing and addressing elder abuse, engaging communities to adopt age-friendly initiatives, and contributing to the development of affordable and accessible transportation options.

Seniors' Advocate

Established in April 2014, the Alberta Seniors' Advocate provides information to seniors and their families on issues related to government-funded programs, supports and services. The Advocate also advises government on issues seniors and their families are facing. In the last year, the Health Advocate has also fulfilled the role of the Seniors Advocate. Recruitment for a new Seniors' Advocate began in May 2016.

Seniors Advisory Council for Alberta (SACA)

Created under the *Seniors Advisory Council for Alberta Act*, the Council is a government-appointed body. The Council consults with seniors, their families, caregivers, and service providers in communities across the province, and provides advice to government on issues that impact seniors. The dissolution of SACA was announced in April 2016, along with plans for continued regular engagement with seniors' stakeholder groups.

Desired Outcome One: Seniors are safe and able to live with dignity.

※ Performance Indicator: Elder Abuse Awareness

Performance Indicator	Actual (2012–13)	Actual (2013–14)	Actual (2014–15)	Actual (2015-16)
1.a Increase in awareness of elder abuse indicators and available resources for clients.				
• Post-training, the percentage of community service providers who reported increased awareness of how to identify, prevent and report elder abuse.	82%	94%	85%	86%
• Post-training, the percentage of community service providers who reported increased ability to respond to elder abuse.	91%	96%	89%	83%

Elder abuse awareness performance indicators are no longer showing any significant increase. This may show that previous "train the trainer" sessions have worked to create increased awareness. The percentage of people reporting increased awareness and ability to respond, post-training, may eventually decrease as recognition of elder abuse grows.

※ Priority Initiatives

1.1 Work with Health to support the creation of 2,000 new long-term public care spaces over the next four years.

Seniors and Housing worked closely with the Ministry of Health to support planning for 2,000 new long-term care spaces. Spaces funded through the Affordable Supportive Living Initiative (ASLI) will increase continuing care capacity in communities across the province.

In 2015-16 the government announced that 25 projects would receive capital grant funding under ASLI to build new continuing care spaces. These projects were approved following a thorough review of the 2014-15 ASLI program to ensure they were financially viable, are located in the communities with the highest need, and aligned with government priorities for dementia and long-term care spaces.

In 2015-16, there were 11 projects under the ASLI program completed, representing 840 affordable supportive living and/or long-term care spaces. On April 1, 2016 , ASLI was transferred to the Ministry of Health.

1.2 Implement an elder abuse strategy that focuses on awareness and prevention and supports community-based responses.

The work to prevent elder abuse is an ongoing priority for the Ministry. With the understanding that all sectors and citizens have roles in preventing and addressing elder abuse, Seniors and Housing works with a variety of partners to increase awareness and help Albertans recognize

and report abuse. In May 2015, the Ministry partnered with the Alberta Elder Abuse Awareness Network to successfully co-host the second provincial conference on elder abuse. The conference was attended by close to 200 front-line service providers representing justice, health and social services sectors.

To recognize World Elder Abuse Awareness Day (WEAAD), June 15, 2015, the Ministry produced and distributed a WEAAD Resource Toolkit, a service provider guide to support caregivers, and information on coordinated community responses to support elder abuse prevention and intervention initiatives at the local level.

Seniors and Housing has provided training to front-line service providers throughout Alberta to increase their knowledge and awareness about elder abuse prevention and how to respond to the needs of those impacted. Between 2012 and 2016, over 1,000 service providers received training, including 200 service providers who took the "train the trainer" sessions which certified them to deliver training in their community or sector. In addition to the training sessions, in 2015-16 Seniors and Housing provided 24 presentations to seniors and service providers to raise awareness about elder abuse and where seniors can go to find help.

In 2015-16, Ministry staff collaborated with other ministries and sectors to develop customized training materials. In collaboration with the Police Advisory Committee and Justice and Solicitor General, customized elder abuse guidelines have been developed for use by police services in Alberta to develop policies and training to better support police in recognizing and addressing cases of elder abuse. Also, in collaboration with the Alberta Dental Hygienists Association, customized training was developed and delivered to dental hygienists to help them recognize and respond to potential situations of elder abuse.

To better understand the scope of elder abuse in the province, Alberta Seniors and Housing participated in a national survey on the prevalence of elder abuse, conducted by the National Initiative for the Care of the Elderly (NICE). Results were released in May 2016, and will provide a rich source of information that will inform future policy and program development to help us address and prevent elder abuse.

Further, the Department collaborated with Human Services to include questions specific to elder abuse in the biennial Albertans' Perceptions of Family Violence and Bullying Survey. Questions centred around awareness, prevention, identification and accessing assistance. The Ministry received the survey results in May 2016.

1.3 Collaborate with stakeholders to develop environments that enhance seniors' safety and well-being.

The Ministry supported capacity building in communities around the province through the Taking Action Against Elder Abuse Coordinated Community Response Grant Program by providing funding to 19 communities to develop or enhance a coordinated response to address and prevent elder abuse at the local level. A second round of grant funding will be announced in Summer 2016.

Ministry staff consulted with 17 communities, both current and potential grant recipients in support of the development of their coordinated community response model for elder abuse prevention.

1.4 Address the fire code and safety issues surrounding existing seniors' accommodations in Alberta.

Alberta Seniors and Housing is committed to enhancing the safety of seniors in the province by continuing the upgrade of 4,800 seniors lodge units and 1,800 government supported continuing care spaces. In order to accomplish this, the Ministry conducted an assessment of the spaces to prioritize projects and entered into a competitive request for proposal process before awarding contracts to begin the work in 2015-16. The goal is to upgrade all government owned lodge units and continuing care spaces by summer 2017, with the expectation that the remaining government supported lodge units and continuing care spaces will be completed by the end of the 2017-18 fiscal year.

Desired Outcome Two: Seniors are empowered to live independently and stay in their chosen communities.

※ Performance Measure: Seniors Income Exceeds National Average

Performance Measure	Actual	Actual	Target 2015-16
2.a Seniors' Average Income:			
• Percentage by which seniors average income exceeds the Canadian average	+18.3% (2012)	+21.1% (2013)	*Continue To Exceed National Average*

Methodology

This measure reports the difference between the average total income of Alberta seniors and the average total income of Canadian seniors. To calculate this measure, taxfiler data from Statistics Canada is obtained. The total aggregate income of Alberta seniors is divided by the number of seniors (65+) receiving income to obtain the average total income of Alberta seniors. The same calculation is performed on data on Canadian seniors to obtain the average total income for this population. The percentage difference between these two resulting figures, the difference between the average total income of Alberta seniors and Canadian seniors, is then calculated.

Data Source

Statistics Canada. 2015, June 26. Table 111-0035- Seniors' characteristics, by age group and source of income, annual (dollars unless otherwise noted). CANSIM database.

Analysis of Results

In 2013, the most recent year for which data are available, the average total income of Alberta seniors exceeded the average total income of Canadian seniors by 21.1 per cent. Alberta seniors' average total income has exceeded the average total income of Canadian seniors since this data was first reported (9.4 per cent in the 2003 tax year), however, this is the highest percentage difference. Further, although both Alberta and Canadian seniors' average total income increased in 2013, Alberta seniors' average total income increased by double that of Canadian seniors (5.1 per cent and 2.5 per cent respectively). From 2009 to 2012, seniors' average total income in Alberta and Canada increased at a more consistent rate.

However, given the two-year delay in obtaining this data, how seniors' average income has been impacted by the current economic challenges is unknown at this time. Due to various issues, including the two-year delay in obtaining data and the potential impact of external factors on the results of this performance measure, the Ministry is exploring opportunities to improve its performance measures and better describe the achievement of Ministry's outcomes with respect to seniors programming. This measure was discontinued in the 2016-19 Seniors and Housing Business Plan.

※ Priority Initiatives

2.1 Develop and provide individual and community-based supports that enable seniors to stay in their homes and remain active in their communities.

The results achieved in 2015-16 include:

- Over 30,000 seniors received an annual average benefit of approximately $900 from the Special Needs Assistance for Seniors program.
- The Alberta Seniors Benefit program provided an average monthly Supplementary Accommodation Benefit of $470 to around 12,000 lower-income seniors who live in long-term care and designated supportive living facilities. This benefit ensures they have at least $315 remaining in disposable income each month after paying facility accommodation charges.
- The Seniors' Self-Contained Housing program provided $3 million in operational support to HMBs, assisting 15,000 seniors living in 14,000 self-contained units.
- Alberta Seniors and Housing provided $39 million to HMBs housing 11,000 seniors living in 10,000 lodge units.

2.2 Increase awareness of supports for seniors.

To ensure Alberta's seniors are aware of any benefits for which they may be eligible, Alberta Health sends all Albertans an information and application package three months before they turn 65.

Seniors also require access to consistent and accurate information on the programs and services available to them. To meet that need, the Ministry produces the *Seniors Programs and Services Information Guide*. In 2015-2016, more than 37,500 copies of the Guide were distributed to Albertans by mail. The Guide is also available on the Alberta Seniors and Housing website.

2.3 Continue to create opportunities for seniors to leverage their resources to contribute to their independence.

Approximately 5,000 low-interest home equity loans have been provided through the Seniors Property Tax Deferral program since 2013 to support seniors remaining independent in their own homes.

Throughout 2015-16, the Ministry developed a new program to assist seniors in making required repairs and adaptations for their homes. Starting in July 2016, seniors will be able to access the Seniors Home Adaptation and Repair Program (SHARP) which will allow them to apply for a home equity loan from the Alberta government to make any required repairs, adaptations and upgrades to their homes. This program will help seniors stay in their homes and communities.

2.4 Work with other ministries, levels of government and community partners to empower seniors and provide the supports they need.

The Ministry co-hosts the annual Grey Matters Conference, which supports front-line staff from agencies and organizations across the province that provide supports and services to seniors. Over two days, attendees have opportunities to network with colleagues and learn new information and approaches to meeting the growing needs of seniors. The 2015 conference was co-hosted with the Town of Drumheller. Over 350 people attended the conference, the highest conference attendance yet.

The Government of Alberta proclaims Seniors' Week, held in the first full week of June each year to celebrate seniors and their contributions to the province. From June 1-7, 2015, hundreds of different events took place in communities throughout Alberta, including barbeques, dances, information fairs, and pancake breakfasts. More than 100 community events were registered on the Seniors and Housing Events Calendar, and 17 municipalities showed their support for local seniors by officially proclaiming Seniors' Week.

The annual Minister's Seniors Service Awards recognize Albertans who volunteer their time to make a difference in the lives of seniors. Eighty-one nominations were received in 2015 and five community celebrations were held to recognize them. At a ceremony at Government House on October 6, 2015, eight outstanding individuals and organizations received awards.

Seniors and Housing also recognizes communities that promote healthy and active aging through the Age-Friendly Alberta Recognition Program. The Age-Friendly Award recognizes efforts to create a long-term vision promoting age-friendly communities that value, respect and actively support seniors' safety, diversity and well-being. In October 2015, the City of Calgary was recognized for its work with community partners to develop a plan to prepare for an aging population. In November 2015, Cardston County and the villages of Glenwood and Hill Spring were the first rural communities to be recognized by the program.

Affordable, accessible transportation helps seniors remain healthy and active. It enables them to continue to live in their communities, close to family and friends. Government is working with municipal partners, the University of Alberta's Medically At-Risk Driver (MARD) centre and other stakeholders to promote age-friendly initiatives that boost transportation options in our communities. With funding assistance from Seniors and Housing, the MARD centre has developed a Toolkit for the Implementation of Alternate Transportation for Seniors in Alberta. The Toolkit is a free resource that provides guidance to communities on creating their own transportation programs. It can be found at http://www.mard.ualberta.ca/.

Desired Outcome Three: Appropriate housing and housing supports will be available to those most in need.

※ Performance Measure: Facility Condition Rating Index

Performance Measure	2012-13	2013-14	Current Actual 2014-15	Target 2015-16
3.a. Housing facilities condition index				
• Percentage in good condition	39.6%	33%	32%	34%
• Percentage in fair condition	55.5%	62%	63%	62%
• Percentage in poor condition	4.9%	5%	5%	4%

Methodology

This performance measure illustrates the overall condition of Alberta's government owned or supported housing assets. Assessed housing stock is categorized as in "good", "fair" or "poor" condition, and the percentage in each category then calculated.

To arrive at these numbers, first the condition of each government owned or supported housing asset is assessed and rated. The assessed facility condition rating is then combined with values for deferred maintenance cost and inflation, to create a new Facility Condition Index (FCI) percentage value. The FCI is the ratio of repair to replacement costs (i.e. cost to correct current and future physical condition deficiencies, relative to current facility replacement values). This method of calculating the condition of housing assets is an industry standard and is used in other provincial jurisdictions to measure overall condition of government-owned facilities.

The percentages for each category in the measure are calculated by taking the number of all facilities in good, fair or poor condition and dividing each by the total number of all audited facilities. If a facility has been constructed or completely refurbished within the last 10 years, and has not been assessed, it is automatically rated as "good." As assessments are conducted over multi-year cycles, the results for any facilities that have been reassessed in each new cycle will replace the results from the former cycle.

Data for this measure does not become available until approximately one year after the end of the fiscal year it is from. As such, data for 2015-16 will not be available until April 2017. Therefore, the most current actual available for comparison with the 2015-16 target is that for 2014-15.

Data Source

Seniors and Housing provides the Ministry of Infrastructure with an inventory listing of all housing facilities to be assessed. Infrastructure completes the assessments and calculations for each housing asset, assigns the rating, and sends a full report to Seniors and Housing.

Analysis of Results

Alberta Infrastructure began assessing housing facilities in 2009. Approximately 68 per cent (about 1,880 facilities) were assessed in 2012-13, 82 per cent (about 2,250 facilities) were assessed in 2013-14 and 92 per cent (about 2,553 facilities) were assessed in 2014-15.

The assessment cycle is now complete and Seniors and Housing is working with Infrastructure to engage in the next multi-year cycle. Targets for next cycle will be established using the 2014-15 actual as a baseline.

The FCI assists the Ministry in making decisions regarding investment in maintenance and regeneration and renewal. The roll-out of investments over multiple years and the collection of facility condition data over a multi-year cycle means that investments in the portfolio may not always be captured in any one annual reporting period. Rather, investments made over the multi-year cycle may only be reflected in the following cycle.

The reported percentages over the last two actuals for 2013-14 and 2014-15 have been stable and are consistent with the target set for 2015-16. The purpose of the measure is to illustrate a consistent stock of "good" and "fair" housing assets while maintaining a low percentage of "poor" assets. The Ministry has maintained 95 per cent of the housing stock in the "good" and "fair" categories, with only five per cent of the housing stock assessed as being in "poor" condition for this reporting period.

Alberta's government owned or supported housing assets have an estimated deferred maintenance cost of over $1 billion, reflected in the "fair" and "poor" FCI category ratings. Many buildings in the owned and supported portfolio are between 30 and 60 years old, and therefore maintenance costs continue to rise. To support the replacement of property systems and components at or near the end of their useful life, Seniors and Housing spent $22.9 million in 2014-15 and $22.8 million in 2015-16 on maintenance.

In addition, Seniors and Housing invested approximately $45 million in 2014-15 and almost $66 million in 2015-16 to regenerate and renew the aging facilities in its portfolio. These investments encompassed major renovations, replacements and additions to government owned or supported seniors lodges and other social housing, operating pursuant to the *Alberta Housing Act* or under long-term operating agreements.

The Budget 2016 Capital Plan allocates $298 million to building maintenance and upgrades over the next five years. This aligns with the goal of annually investing one per cent of replacement value (approximately $70 million) in maintenance. This is the level of funding needed to ensure the continued functional viability of housing assets and minimize the operating impact of the diminishing condition of buildings. This investment strategy is expected to increase the number of buildings progressing from "poor" to "fair" and "fair" to "good" condition over the next year and into the future.

The Capital Plan also dedicates $582 million towards the systematic replacement of units to ensure the portfolio is properly rejuvenated with consideration for asset life cycles and current age and condition of facilities. Seniors and Housing further anticipates this will also improve results in this measure.

※ Priority Initiatives

3.1 Work with all levels of government and housing providers on program renewal initiatives to provide sustainable housing programs serving those most in need.

Over the past year, Seniors and Housing has consulted with housing providers, municipalities and other provincial jurisdictions to consider how to best develop and deliver sustainable affordable housing.

Seniors and Housing has received over 100 project proposals from HMBs representing over 5,000 units as part of the HMBs business plan submissions. As well, the Ministry has been working with HMBs looking at new sustainable affordable housing models using mixed income, the development of reserve policies, and discussing changes to operating programs that would allow HMBs to serve Albertans who require housing.

The Department is also in the initial stages of reviewing the regulations associated with the *Alberta Housing Act*. These regulations expire in 2017, and consultations with key stakeholders are scheduled to take place in Summer 2016.

The Minister received the final report on the Lodge Program Renewal from a committee representing lodge operators, municipal associations and government stakeholders. Recommendations from the report are currently under review, and in the upcoming fiscal year, the Ministry will consult with lodge operators for additional information to support decisions based on the report's recommendations.

The Ministry is also actively engaged in discussions with the federal government on potential agreements and funding to support social and affordable housing in the province.

The Department continues to work with the federal government, settlement agencies and housing providers to ensure Syrian Refugees coming to Alberta have adequate housing and supports. Alberta received 3,395 Syrian refugees in 2015-16.

3.2 Using a co-management approach with housing providers, promote effective asset management and project development strategies for effective preservation and renewal of government-owned and supported housing.

The Ministry, with input from housing providers, develops capital plans for the preservation and renewal or replacement of government owned and supported housing. Capital funding is allocated to ensure critical maintenance is performed and facilities meet minimum requirements and standards. Where aging facilities can no longer be maintained to these requirements and standards in an efficient and cost effective manner, and the need for housing is ongoing, the Department works to regenerate or replace the facility as funds become available.

In support of this priority initiative, the Ministry provided technical support to HMBs to facilitate capital improvements to lodges not owned by the ASHC. Alberta Seniors and Housing also undertook a process to further develop roles and responsibilities when developing project charters for capital projects.

3.3 Renew government disaster recovery housing programs, including disaster mitigation, response and recovery protocols for government-owned and supported housing.

This year the Ministry developed an initial Disaster Recovery Housing Framework. One of the goals it includes is working with Ministry partners to make it easier for people to move in and out of interim housing during a disaster. Work is underway to link the Framework with Alberta Emergency Management Agency's disaster management plans and work undertaken by the newly created Provincial Emergency Social Services working group (led by the Ministry of Human Services). Seniors and Housing is also working with HMBs to develop effective policies, procedures and templates that can be employed for financial recovery from disasters.

3.4 Collaborate with housing management bodies and other housing providers on enhancing their capacity to provide local housing options for those most in need.

Throughout the last year, the Ministry worked with each of Alberta's 108 HMBs to build closer relationships and achieve a number of operational efficiencies. In particular, the Ministry partnered with HMBs to implement new, standardized business plan processes. HMBs now submit updated three-year business plans as required under the *Alberta Housing Act*.

Seniors and Housing has continued to further enhance compliance and reporting activities for HMBs such as waitlist and client reporting to better understand financial and capacity issues throughout the province. Field compliance and capacity building reviews were completed for 30 housing providers last year. These reviews validate compliance with program legislation and agreement. Work continues with housing providers to build capacity and improve service for Albertans living in affordable housing.

The Ministry also worked with individual HMBs to support them in creating efficiencies and improving capacity through partnerships and consolidated operations. A joint stakeholder working committee has been formed, meeting quarterly, to make recommendations on issues resolution and improved communications.

Financial Summary
(millions of dollars)

Results of Operations
For the Year Ending March 31, 2016

2015-16 Financial Analysis

	Budget	Actual	Difference	Variance Explanation
Total Revenue	$102.3	$148.9	$46.6	Various fluctuations including reversal of grant accruals from previous fiscal years and reversal due to Housing Management Bodies surplus budgets
Expenses Operating	619.9	671.3	(51.4)	Additional Affordable Supportive Living Initiative capital grant disbursements due to commitments made to support long-term care.
Capital Investment	168.0	74.1	93.9	Various affordable and seniors housing projects timelines will carry forward into future years.
Total Expenses	$787.9	$745.4	$42.5	

Revenue Highlights
(millions of dollars)

	2015-16 Budget	2015-16 Actual	2014-15 Actual
Transfers from the Government of Canada	$92.6	$82.6	$75.9
Investment Income	2.1	1.9	2.3
Other Revenue	7.6	64.4	38.5
Total Revenue	$102.3	$148.9	$116.7

Total revenue for the Ministry in 2015-16 was $148.9 million, an increase of $32.2 million from the previous fiscal year.

Other Revenue increased by $25.9 million over the previous fiscal year mainly due to the historical, unused affordable housing grant accruals from previous fiscal years and surplus recoveries in the Alberta Social Housing Corporation. Approximately $22 million is made up of previously committed affordable housing grants that are no longer required as projects were completed under budget or will not proceed. As a result, it is recorded as revenue in the year of the adjustment.

Transfers from the Government of Canada ($92.6 million budgeted) represents $72.4 million of operational revenue (compared to $82.6 million in actual revenue) and $20.2 million of capital plan revenue. The Alberta Social Housing Corporation is entitled to receive the $20.2 million from the Government of Canada, which has been classified as unearned revenue (not included in actual revenues) and will begin to be recognized as revenue when the capital project is complete and amortization of the asset occurs.

Expense Highlights
(millions of dollars)

	2015-16 Budget	2015-16 Actual	2014-15 Actual (restated)
Seniors Services	$35.8	$34.2	$36.8
Alberta Seniors Benefit	352.5	348.4	338.4
Housing	12.8	10.0	9.3
Alberta Social Housing Corporation	200.5	212.8	230.7
Affordable Supportive Living Initiative	-	49.2	10.8
Ministry Support Services	9.5	8.4	6.2
2013 Alberta Flooding	0.5	-	4.5
Debt Servicing	8.3	8.3	10.3
Total Operating Expenses	$619.9	$671.3	$647.0

Total operating expenses for the Ministry in 2015-16 were $671.3 million, an increase of $24.3 million from the previous year.

Programs such as the Alberta Seniors Benefit and Special Needs Assistance for Seniors (within Seniors Services) help low-income seniors by providing supplemental income and other financial supports. The increase in expenditures for the Alberta Seniors Benefit are mainly due to a larger number of seniors benefiting from these programs and provisions to protect low-income seniors from long-term care rate increases.

The Alberta Social Housing Corporation's $17.9 million decrease in expenses from the previous fiscal year is primarily due to one-time expenditures in 2014-15, in particular the Willow Square land transfer and accompanying capital grant support in Fort McMurray, and other non-cash dispositions and write-offs. The increase of $12.3 million from budget is primarily due to additional capital grants for rural and sustainable housing on non-government owned projects and for the sale of trailers.

Affordable Supportive Living Initiative spending was $38.4 million higher than the previous fiscal year and $49.2 million higher than budgeted due to commitments made to support long-term care spaces.

Capital Investment

Through the Alberta Social Housing Corporation, the Ministry also spent a total of $74.1 million on capital investment. The majority of this investment is for facility preservation and capital maintenance within seniors ($60.7 million) and family housing ($9.2 million).

Emergency housing also spent $4.2 million for interim housing primarily related to the acquisition of trailers to serve as interim swing housing for the Stoney First Nation.

The variance from the budget was due to additional time required for project planning to ensure community needs were met, in addition to construction delays. This funding and the associated projects will be carried forward into future fiscal years.

2013 Flooding

In 2014-15, the Ministry spent $4.5 million of flood recovery efforts, specifically for the replacement of the High River Seniors Lodge with the remaining $0.5 million to be paid after the completion of the project. However, the lodge was damaged in a fire in December 2015; as a result, payment of the remaining amount was delayed until the lodge has been rebuilt.

Additional housing-related flood expenses incurred by the Ministry of Seniors and Housing are reported by the ministries of Municipal Affairs and Indigenous Relations, where the budget resides.

Ministry Expense by Program
(millions of dollars)

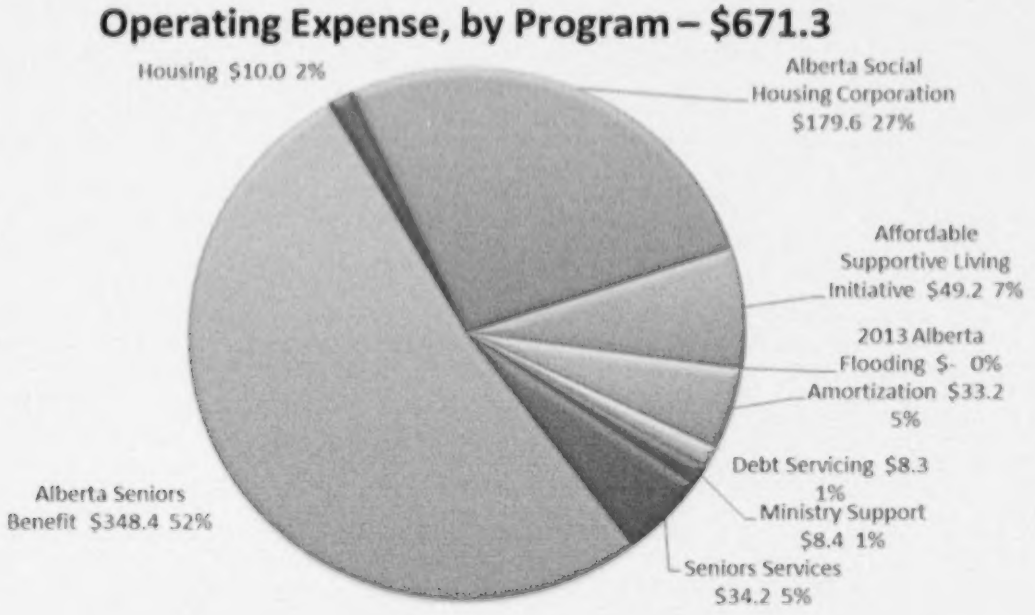
Ministry expenditures on the Alberta Seniors Benefit program totaled $348.4 million (52 per cent of expenditures). This was primarily grants, and included the accommodation supplement for residents of long-term care and designated supportive living and operations.

Expenses to provide low-income seniors with additional supports such as the Special Needs Assistance for Seniors grants, and enable community based initiatives such as abuse shelters for seniors and local elder abuse response totaled $34.2 million (five per cent) under the Seniors Services program.

The Alberta Social Housing Corporation spent $179.6 million (27 per cent) to provide affordable living to low-income Albertans and emergency housing while the Housing Program spent $10 million (two per cent) to provide operational support to the Alberta Social Housing Corporation.

The Affordable Supportive Living Initiative (ASLI) spent $49.2 million (seven per cent) in grant funding to create new, affordable living spaces for seniors.

The remainder of the Ministry's expenses went to amortization of capital assets in the amount of $33.2 million (five per cent), debt servicing of $8.3 million (one per cent) and support services of $8.4 million (one per cent).


Operating Expense, by Program – $671.3
Housing $10.0 2%
Alberta Social Housing Corporation $179.6 27%
Affordable Supportive Living Initiative $49.2 7%
2013 Alberta Flooding $- 0%
Amortization $33.2 5%
Debt Servicing $8.3 1%
Ministry Support $8.4 1%
Seniors Services $34.2 5%
Alberta Seniors Benefit $348.4 52%

Financial Information

MINISTRY OF SENIORS AND HOUSING

Consolidated Financial Statements

March 31, 2016

Independent Auditor's Report
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Supplementary Information to Financial Statements (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Seniors and Housing, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Seniors and Housing as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 1, 2016

Edmonton, Alberta

Ministry of Seniors and Housing
Consolidated Statement of Operations
Year ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual (Restated - Note 3)
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants (Note 14)	$ 92,632	$ 82,587	$ 75,945
Investment Income	2,105	1,907	2,329
Other Revenue	7,530	64,411	38,457
	102,267	148,905	116,731
Expenses - Directly Incurred (Note 2(b), Schedules 2 and 3)			
Programs			
Ministry Support Services	9,471	8,374	6,205
Seniors Services	35,758	34,216	36,789
Alberta Seniors Benefit	352,509	348,446	338,384
Housing	12,830	9,989	9,296
Affordable Supportive Living Initiative	-	49,195	10,758
2013 Alberta Flooding (Note 16)	480	-	4,465
Alberta Social Housing Corporation	200,532	212,840	230,705
	611,580	663,060	636,602
Debt Servicing			
Alberta Social Housing Corporation	8,320	8,268	10,342
	619,900	671,328	646,944
Annual Deficit	$ (517,633)	$ (522,423)	$ (530,213)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Seniors and Housing
Consolidated Statement of Financial Position
As at March 31, 2016
(in thousands)

	2016	2015 (Restated - Note 3)
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 156,087	$ 213,753
Accounts Receivable (Note 5)	185,428	130,812
Inventories for Resale (Note 6)	-	1,903
Loans and Advances (Note 7)	44,204	36,018
	385,719	382,486
Liabilities		
Accounts Payable and Accrued Liabilities	171,249	199,024
Deferred Revenue	18	18
Unspent Deferred Capital Contributions (Note 9)	72,091	59,990
Debentures and Notes Payable (Note 10)	75,634	110,049
	318,992	369,081
Net Financial Assets	66,727	13,405
Non-Financial Assets		
Tangible Capital Assets (Note 8)	713,014	659,524
	713,014	659,524
	779,741	672,929
Net Assets	$ 779,741	$ 672,929
Net Assets at Beginning of Year	$ 672,929	$ 600,793
Adjustments to Net Assets (Note 13 and Schedule 3)	(1,312)	(1,621)
Annual Deficit	(522,423)	(530,213)
Net Financing Provided from General Revenues	630,547	603,970
Net Assets at End of Year	$ 779,741	$ 672,929

Contingent Liabilities and Contractual Obligations (Notes 12 and 13)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Seniors and Housing
Statement of Change in Net Financial Assets
Year ended March 31, 2016
(in thousands)

	2016 Budget	2016 Actual	2015 Actual (Restated - Note 3)
Annual Deficit	$ (517,633)	$ (522,423)	$ (530,213)
Acquisition of Tangible Capital Assets	(168,034)	(74,055)	(88,383)
Amortization of Tangible Capital Assets (Note 8)	32,314	33,184	32,108
(Gain)/Loss on Disposal of Tangible Capital Assets	(1,700)	(1,104)	11,893
Proceeds on Disposal of Tangible Capital Assets		441	6,400
Grants in Kind (Note 8[4])		(13,158)	14,412
Capital Contributions in Kind (Note 8[4])		(110)	(1,417)
Net Financing Provided from General Revenues		630,547	603,970
Increase in Net Assets		$ 53,322	$ 48,770
Net Financial Assets (Net Debt) at Beginning of Year		13,405	(35,365)
Net Financial Assets at End of Year		$ 66,727	$ 13,405

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Seniors and Housing
Consolidated Statement of Cash Flows
Year ended March 31, 2016
(in thousands)

	2016	2015 (Restated - Note 3)
Operating Transactions		
Annual Deficit	$ (522,423)	$ (530,213)
Non-cash items included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 8)	33,184	32,108
Deferred Capital Contribution recognized as Revenue (Note 9)	(7,969)	-
Grants in Kind (Note 8[4])	(13,158)	14,412
Capital Contributions in Kind (Note 8[4])	(110)	(1,417)
(Gain)/Loss on Disposal of Tangible Capital Assets	(1,104)	11,893
	(511,580)	(473,217)
(Increase) Decrease in Accounts Receivable	(54,616)	11,996
(Increase) Decrease in Inventories for Resale	1,903	(1,903)
Decrease in Accounts Payable and Accrued Liabilities	(27,775)	(96,944)
Increase in Deferred Revenue	-	3
Cash Applied to Operating Transactions	(592,068)	(560,065)
Capital Transactions		
Acquisition of Tangible Capital Assets	(74,055)	(88,383)
Proceeds on Disposal of Tangible Capital Assets	441	6,400
Cash Applied to Capital Transactions	(73,614)	(81,983)
Investing Transactions		
Loans and Advances Made	(9,573)	(10,302)
Repayment of Loans and Advances	1,387	1,022
Cash Applied to Investing Transactions	(8,186)	(9,280)
Financing Transactions		
Repayment of Debentures and Notes Payable	(34,415)	(32,377)
Contributions Restricted for Capital (Note 9)	20,070	19,930
Net Financing Provided from General Revenues	630,547	603,970
Cash Provided by Financing Transactions	616,202	591,523
Decrease in Cash and Cash Equivalents	(57,666)	(59,805)
Cash and Cash Equivalents at Beginning of Year	213,753	273,558
Cash and Cash Equivalents at End of Year	$ 156,087	$ 213,753

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Seniors and Housing
Notes to Consolidated Financial Statements
March 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Seniors and Housing operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000. The minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also disclosed in Note 2(a).

The ministry promotes the well-being and quality of life of Alberta seniors and those in need of affordable housing. It develops and maintains programs which assist seniors' independence and promote safety and well-being for Alberta's aging population. The ministry fosters the development of affordable housing, and supports access to housing options for Albertans most in need. To achieve these outcomes, the ministry works with seniors, Albertans who require housing supports, their families and caregivers, communities and other government partners.

Key Activities:

- Increase Albertans' awareness of elder abuse and support coordinated community response models that address and prevent elder abuse.
- Continue to meet provincial building code standards by upgrading fire and safety systems in government-owned and supported seniors' supportive living accomodations.
- Provide individual and community-based supports that empower seniors to remain independent and fully participate in their chosen communities.
- Support Ministry of Health in the creation of 2,000 public long-term care spaces over the next four years.
- Review the regulations under the *Alberta Housing Act*.
- Work with municipal and federal governments to provide affordable housing options for Albertans, including off-reserve Indigenous populations.
- Collaborate with housing management bodies and other housing providers to enhance operational capacity and to maintain and renew government-owned and supported housing.
- Support the Ministry of Labour in implementing the Government of Alberta strategic response to Syrian refugees.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Ministry of Seniors and Housing for which the Minister of Seniors and Housing is accountable. The *Government Accountability Act* defines a ministry as including the department and any provincial agency or crown-controlled organization for which the minister is responsible. These consolidated financial statements include the accounts of the Department of Seniors and Housing (*Government Organization Act*) and the Alberta Social Housing Corporation (*Alberta Housing Act*).

The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by ministries are paid from the Fund. Net financing provided from general revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting.

Government transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred capital contributions and deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the ministry's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the ministry complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the department meets the eligibility criteria.

Deferred Revenue
Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Expenses
Directly Incurred
Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- debt servicing costs,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Affordable Supportive Living Initiative (ASLI) grants must be authorized by the Minister of Seniors and Housing and must meet established criteria including: execution of a Master Service Agreement between the Service Provider and Alberta Health Services, evidence of land ownership or lease for the project, and a copy of the development permit.

Incurred by Others
Services contributed by other entities in support of the ministry operations are not recognized and are disclosed in Schedule 3 and allocated to programs in Schedule 4.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Fair values of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability. The fair value of Debentures and Notes Payable is disclosed in Note 11.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Accounts Receivable
Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Loans and Advances
Loans and advances are recorded at cost less provisions for estimated losses. Cost includes amounts advanced, accrued interest and other charges, less repayments and subsidies. Loans and advances include mortgages and advances to housing providers to address short term cash flow needs for specified projects and operating pressures.

Inventories for resale
Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

Liabilities
Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or develped assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;
(b) may be consumed in the normal course of operations; and
(c) are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets, prepaid expenses and inventories of supplies.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Non-Financial Assets (Cont'd)

Tangible Capital Assets

Tangible capital assets of the ministry are recorded at historical cost and, except for land, are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Financial Instruments

Financial instruments consist of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances, Accounts Payable and Accrued Liabilities, and Debentures and Notes Payable. They are initially recognized at cost and subsequently carried at amortized cost. Write-downs on financial assets are recognized when the amount of a loss is known with sufficient precision, and there is no reasonable expectation of recovery. The ministry does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

Risk Management

The ministry has minimal exposure to credit risk, liquidity risk and interest rate risk due to the nature of its operations. The primary creditors of the ministry are the Government of Alberta and the federal government. Both governments provide operational support to the ministry, thus reducing exposure to credit risk. Liquidity risk is minimized given the cash and cash equivalent balance within the ministry. As interest rates on Debentures and Notes Payable are fixed, the ministry is not exposed to interest rate fluctuation risk because the future cash flows of the debt will not fluctuate with future market interest rate change.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivables recorded and disclosed as $19,872 (2015 - $10,894) in these financial statements, is subject to measurement uncertainty. This balance is recorded based on budgeted figures which may not reflect actual audited amounts.

(c) Change in Accounting Policy

A net debt model (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the departments's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Debt/Net Financial Assets.

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Diclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprises a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
PS3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 PROGRAM TRANSFER

(in thousands)

Effective April 1, 2015, responsibility for funding the director and manager positions in Communications was transferred from the Ministry of Executive Council to the Ministry of Seniors and Housing where they had previously been seconded.

Comparatives for 2015 have been restated as if the Ministry of Seniors and Housing had always been assigned with its current responsibilities.

Net Assets on March 31, 2015 is made up as follows:

Net Assets at March 31, 2014	$ 600,793
Adjustments to Net Assets as previously reported	(1,621)
Annual decifit as previously reported	(529,922)
Previous Net Financing provided from General Revenues	603,679
Transfer from Ministry of Executive Council	(291)
Net Financing provided from General Revenue	291
Net Assets at March 31, 2015	$ 672,929

NOTE 4 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents include deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality, short term securities with a maximum term to maturity of three years. As at March 31, 2016, securities held by the Fund have a time-weighted return of 0.8% per annum (2015 – 1.2% per annum). Due to the short term nature of CCITF investments, the carrying value approximates fair value.

NOTE 5 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Canada Mortgage and Housing Corporation	$ 139,271		$ 139,271	$ 110,939
Ministry of Indigenous Relations	13,361		13,361	-
Ministry of Municipal Affairs	2,877		2,877	-
Housing Providers	19,872		19,872	10,894
Alberta Risk Management Fund	6,778		6,778	6,706
Other	4,828	(1,559)	3,269	2,273
	$ 186,987	$ (1,559)	$ 185,428	$ 130,812

NOTE 6 INVENTORIES FOR RESALE

(in thousands)

Inventory for resale relates to 30 manufactured housing units that were sold at cost to the Siksika First Nation as part of the Southern Alberta Flooding recovery efforts.

	2016	2015
Manufactured housing units inventory	$ -	$ 1,903

NOTE 7 LOANS AND ADVANCES

(in thousands)

	2016			2015
	Gross Amount	Allowance for Losses	Net Realizable Value	Net Realizable Value
Rural and Native[1]	$ 37	$ -	$ 37	$ 218
Housing Providers' Reserves[2]	5,127	-	5,127	5,127
Rent Supplement[3]	14,327	-	14,327	14,327
2013 Southern Alberta Flood[4]	1,878	-	1,878	2,878
Seniors Property Tax Receivable[5]	12,440	-	12,440	8,266
Accrued Interest Receivable[5]	516	-	516	268
Other Loans and Advances	9,879	-	9,879	4,934
	$ 44,204	$ -	$ 44,204	$ 36,018

(1) Mortgages receivable provided under the Rural and Native Housing program are repayable over an amortization period of 25 years with a five-year interest renewal term.

(2) Housing providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.

(3) Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.

(4) Cash advances were provided to Housing Management Bodies and organizations as a result of the 2013 Southern Alberta Flooding incident to help manage flood disaster relief and address cash flow needs.

(5) The Seniors Property Tax Deferral Program helps eligible senior homeowners defer all or part of their annual residential property taxes through a low-interest equity loan. The loan must be repaid before the residence can be legally transferred to a new owner with the exception of transfer to a surviving spouse.

NOTE 8 TANGIBLE CAPITAL ASSETS

(in thousands)

	2016				
	Land	Buildings & Leasehold Improvements [1]	Equipment & Other [2]	Computer Hardware and Software	Total
Estimated useful life	Indefinite	10-50 years	10 years	3-5 years	
Historical Cost [3]					
Beginning of year	$ 140,407	$ 1,210,014	$ 12,916	$ 4,451	$ 1,367,788
Additions [4]	14,674	69,874	4,181	-	88,729
Disposals, including write-downs [5]	(39)	(1,696)	(2,146)	(662)	(4,543)
	$ 155,042	$ 1,278,192	$ 14,951	$ 3,789	$ 1,451,974
Accumulated Amortization					
Beginning of year	-	702,805	4,684	775	708,264
Amortization expense	-	30,847	1,134	1,203	33,184
Effect of disposals	-	(992)	(834)	(662)	(2,488)
	-	732,660	4,984	1,316	738,960
Net book value at March 31, 2016	$ 155,042	$ 545,532	$ 9,967	$ 2,473	$ 713,014
Net book value at March 31, 2015	$ 140,407	$ 507,209	$ 8,232	$ 3,676	$ 659,524

[1] Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

[2] Other includes manufactured housing units and trailers, office equipment and other equipment.

[3] Historical cost includes work-in-progress at March 31, 2016 totaling $86,020 comprised of: land $558 (2015 - $0); buildings $81,281 (2015 - $53,562); and other $4,181 (2015 - $0).

[4] Land additions totalling $14,674 are comprised of:

(i) $13,158 is related to an adjustment on the original Willow Square land transfer to the Wood Buffalo Housing and Development Corporation (WBHDC) which was intended for development to provide new affordable housing options to seniors and lower-income residents in the community. In November 2015, government decided to move the site of a new continuing care project from Parsons Creek to Willow Square. As a result, the intended transfer of the land to the WBHDC was cancelled.

(ii) $1,406 is related to a land exchange with the Town of Canmore to facilitate the development of a new lodge facility.

(iii) $110 is related to land donated to the Alberta Social Housing Corporation from Lamont New Horizons Drop In Centre for the development of a new lodge facility.

[5] Disposals include:

(i) $2,146 for transfers of manufactured housing units to the Ministries of Education and Environment and Parks to address the ongoing need for staff housing across Alberta.

(ii) $1,599 for demolition for various properties to facilitate new construction.

NOTE 9 DEFERRED CAPITAL CONTRIBUTIONS

(in thousands)

	2016	2015
Unspent deferred capital contribution and transfers (i)	$ 72,091	$ 59,990
Spent deferred capital contributions and transfers (ii)	-	-
	$ 72,091	$ 59,990

(i) Unspent deferred capital contribution and transfers [1]

	2016	2015
Balance, beginning of year	$ 59,990	$ 40,060
Cash contributions received/receivable during year	20,070	19,930
Transferred to spent deferred capital contributions and transfers	(7,969)	-
Balance, end of year	$ 72,091	$ 59,990

(ii) Spent deferred capital contributions and transfers

	2016	2015
Balance, beginning of year	$ -	$ -
Transferred from unspent deferred capital contribution and transfers	7,969	-
Less amounts recognized as revenue	(7,969)	-
Balance, end of year	-	-

[1] Federal funding has been committed to improving and preserving the quality of affordable housing under the Canada-Alberta Agreement for Investment in Affordable Housing with Canada Mortgage and Housing Corporation (CMHC). No capital contributions have been spent or recognized as revenue as projects are still under development and not completed.

NOTE 10 DEBENTURES AND NOTES PAYABLE

(in thousands)

The ministry's long term debt and exposure to interest rate risk are summarized as follows:

	2016	2015
Canada Mortgage and Housing Corporation[1]	$ 59,128	$ 61,944
Ministry of Treasury Board and Finance[2]	16,506	48,105
	$ 75,634	$ 110,049

[1] Debentures maturing January 2023 to January 2030, with a weighted average effective rate of 9.685%.

[2] Notes payable maturing September 16, 2016, with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings. The debentures, including interest thereon, are repayable in equal annual or semi-annual installments and the note payable is repayable in equal semi-annual installments.

Approximate aggregate repayments of principal in each of the next five years are:

2017	$ 19,588
2018	3,375
2019	3,696
2020	4,047
2021	4,432
Thereafter	40,496
	$ 75,634

NOTE 10 DEBENTURES AND NOTES PAYABLE (Cont'd)

(in thousands)

Long-term debt has a fair value of $89,689 (2015 – $91,797) for Canada Mortgage and Housing Corporation debentures and $16,909 (2015 – $50,507) for the note payable to Ministry of Treasury Board and Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates which are available to the ministry for debt with similar terms and maturities.

NOTE 11 CONTINGENT LIABILITIES

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The ministry has been named in five (2015 – one) claims of which the outcome is not determinable. These claims have specified amounts totaling $2,925 (2015: one - no amount specified). Included in total claims, three claims totalling $725 (2015: one - no amount specified) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of the indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 12 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for Affordable Supportive Living Initiative where agreements are signed have been included as a program obligation.

	2016	2015
Obligations under Operating Leases, Contracts and Programs	$ 222,250	$ 222,785
Obligations Under Capital Leases, Contracts and Programs	168,929	51,047
	$ 391,179	$ 273,832

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2016-17	$ 58,033
2017-18	26,515
2018-19	18,610
2019-20	17,637
2020-21	17,378
Thereafter	84,077
	$ 222,250

Obligations Under Capital Leases, Contracts and Programs

	Total
2016-17	$ 121,332
2017-18	47,419
2018-19	178
	$ 168,929

NOTE 13 ADJUSTMENTS TO NET ASSETS

(in thousands)

The reconciliation of adjustments to net assets is as follows:

	2016	2015
Transfer of maunufactured housing units to the Ministries of Education and Environment and Parks (Schedule 3)	$ (1,312)	$ (1,621)

NOTE 14 PROGRAM RECOVERIES

The Canada Mortgage and Housing Corporation (CMHC) provides contributions toward subsidies of rental properties and mortgages receivable and for certain capital costs, the administration expenses and net operating results of approved community housing projects through cost-sharing agreements. CMHC also provides contributions for net operating results of approved community, special needs and seniors housing and rent supplement projects.

NOTE 15 BENEFIT PLANS

(in thousands)

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,174 for the year ended March 31, 2016 (2015 – $2,507). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported a surplus of $ 83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan a surplus of $ 29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 16 2013 ALBERTA FLOODING

The Ministry committed $4.8 million in funding to replace a portion of the Medicine Tree Manor Seniors Lodge in High River impacted by the 2013 Southern Alberta Floods. In 2014-15, ninety percent of the funding was provided to the grant recipient with the remaining ten percent to be provided upon completion of the project. The payment of ten percent has been delayed due to the Seniors Lodge being damaged by fire in December 2015.

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the Alberta Social Housing Corporation (the Corporation) was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The Corporation also provided direct support to Housing Management Bodies whose residents were displaced due to the buildings impacted by the flood. In addition, the Corporation was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations. The costs incurred by the Corporation in response to the flood have been fully offset by the Government of Alberta through the Ministries of Municipal Affairs and Indigenous Relations.

NOTE 17 SUBSEQUENT EVENTS

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The Corporation has properties in Fort McMurray that incurred smoke and other damages which are insured under Risk Management and Insurance and delivers several programs through Wood Buffalo Housing and Development Corporation. The financial impact on the ministry may be significant but is uncertain at this stage.

NOTE 18 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 19 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the senior financial officer and the deputy minister.

Ministry of Seniors and Housing
Schedule to the Consolidated Financial Statements **Schedule 1**
Revenues
Year ended March 31, 2016
(in thousands)

	2016 Budget	2016 Actual	2015 Actual
Federal and Other Government Grants			
Recoveries from Canada Mortgage and Housing Corporation (Note 14)	$ 92,632	$ 82,587	$ 75,945
	92,632	82,587	75,945
Investment Income	2,105	1,907	2,329
Other Revenue [1]			
Recoveries from Housing Providers	5,300	13,997	6,715
Contribution from Housing Providers and Third Parties		110	1,417
Rental Revenue	95	680	313
Refunds of Expenditure	135	45,168	28,917
Gain on Disposal of Tangible Capital Assets	2,000	1,801	961
Miscellaneous		2,655	134
	7,530	64,411	38,457
	$ 102,267	$ 148,905	$ 116,731

[1] Other Revenue in the current year includes a significant amount of revenues as a result of:

[a] Budget 2015 included provisions whereby the Alberta Social Housing Corporation will no longer be paying grants in place of taxes on its properties.

[b] An adjustment on the original Willow Square land transfer to the Wood Buffalo Housing and Development Corporation (WBHDC) which was intended for development to provide new affordable housing options to seniors and lower-income residents in the community. In November 2015, government decided to move the site of a new continuing care project from Parsons Creek to Willow Square. As a result, the intended transfer of the land to the WBHDC was cancelled.

Ministry of Seniors and Housing
Schedule to the Consolidated Financial Statements **Schedule 2**
Expenses - Directly Incurred Detailed by Object
Year ended March 31, 2016
(in thousands)

	2016		2015
	Budget	Actual	Actual (Restated - Note 3)
Salaries, Wages and Employee Benefits	$ 31,111	$ 26,356	$ 21,822
Supplies and Services	17,252	17,749	12,860
Grants	530,705	584,972	555,572
Debt Servicing Costs	8,320	8,268	10,342
Amortization of Tangible Capital Assets	32,314	33,184	32,108
Other	198	799	14,240
	$ 619,900	$ 671,328	$ 646,944

Ministry of Seniors and Housing
Schedule to the Consolidated Financial Statements **Schedule 3**
Related Party Transactions
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2016	2015
Revenues		
Rental Revenue	$ 34	$ 51
	$ 34	$ 51
Expenses - Directly Incurred		
Business and Technology Services	$ 1,487	$ 614
Alberta Risk Management Fund	5,201	5,566
Debt Servicing Costs	2,342	4,166
	$ 9,030	$ 10,346
Tangible Capital Assets Transferred Out		
Ministry of Environment and Parks[1]	$ (1,083)	$ -
Ministry of Education[2]	(229)	(1,621)
	$ (1,312)	$ (1,621)
Receivable from		
Alberta Risk Management Fund [3][4]	$ 6,778	$ 6,706
Ministry of Treasury Board and Finance	3	31
Ministry of Municipal Affairs [4]	2,877	-
Ministry of Indigenous Relations [4]	13,361	-
Ministry of Health	-	99
	$ 23,019	$ 6,836

Ministry of Seniors and Housing
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year ended March 31, 2016
(in thousands)

Schedule 3
(Cont'd)

	Other Entities	
	2016	2015
Payables to		
Ministry of Treasury Board and Finance [5]	$ 16,546	$ 53,269
Alberta Risk Management Fund	676	718
Ministry of Municipal Affairs	-	185
Ministry of Infrastructure	245	45
Post Secondary Institutions	31	35
Alberta Health Services	23	22
	$ 17,521	$ 54,274

[1] Ths amount is for the transfer of housing units to Alberta Environment and Parks to assist the housing needs of staff in remote locations or where accomodation prices make it difficult to recruit staff.

[2] This amount is for the transfer of housing units to Alberta Education to address the need for teachers housing for Northland School Division.

[3] $6,013 (2015: $5,941) of amounts due to the ministry from the Alberta Risk Management Fund are for property insurance claims while the remaining $765 (2015-$765) are flood related funds.

[4] Flood related funds due to the Alberta Social Housing Corporation totalling $17,003 (2015 - $765) is comprised of $13,361 (2015 - $0) from the Ministry of Indigenous Relations, $2,877 (2015 - $0) from the Ministry of Municipal Affairs, and $765 (2015 - $765) from the Alberta Risk Management Fund.

[5] Amount primarily represents principal repayments and interest on debt.

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Other Entities	
	2016	2015
Expenses - Incurred by Others (Schedule 4)		
Accommodation	$ 3,431	$ 3,401
Business Services[1]	1,144	790
Legal	311	230
	$ 4,886	$ 4,421

[1] Business Services includes financial and administrative services and corporate training costs.

Ministry of Seniors and Housing
Schedule to the Consolidated Financial Statements **Schedule 4**
Allocated Costs
Year ended March 31, 2016
(in thousands)

Program	Expenses[1]	Expenses - Incurred by Others: Accommodation Costs[2]	Expenses - Incurred by Others: Business Services[3]	Expenses - Incurred by Others: Legal Services[4]	2016 Total Expenses	2015 Total Expenses (Restated - Note 3)
Ministry Support Services	$ 8,374	$ 786	14	$ 276	$ 9,450	$ 6,724
Seniors Services	34,216	612	58	34	34,920	37,545
Alberta Seniors Benefit	348,446	751	594	-	349,791	339,561
Housing	9,989	128	394	1	10,512	9,826
Affordable Supportive Living Initiative	49,195	-	84	-	49,279	10,823
2013 Alberta Flooding	-	-	-	-	-	4,470
Alberta Social Housing Corporation	221,108	1,154	-	-	222,262	242,416
	$ 671,328	$ 3,431	$ 1,144	$ 311	$ 676,214	$ 651,365

[1] Expenses – Directly Incurred as per Consolidated Statement of Operations.

[2] Cost shown for Accommodation on Schedule 3, allocated by number of employees.

[3] Business Services include charges for information technology support, vehicles, internal audit services and other services on Schedule 3, allocated by costs in certain programs.

[4] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.

Ministry of Seniors and Housing
Supplementary Information to Financial Statements (Unaudited)
Housing Providers
Year ended March 31, 2016
(in thousands)

The following unaudited supplementary information is intended to provide additional information to financial statement readers regarding the provision of seniors' self-contained and community housing programs through housing providers. The Alberta Social Housing Corporation (the Corporation) establishes budgets for each provider.

Grants are provided to cover operating support for various housing programs and are recorded as expenses. Recoveries are received from housing providers who operate with surpluses and are recorded as revenues. Costs for property insurance, amortization, and interest on long term debt are incurred and recorded directly in the financial statements of the ministry.

The housing providers' fiscal year is January to December. Their annual budgets are approved by the President of the Corporation.

The total budgeted rental revenues collected by housing providers for their 2015 fiscal year was $135,298 (2014 - $132,039). The total budgeted operating expenses for housing providers for the 2014 and 2015 fiscal year is as follows:

	2015	2014
Expenses:		
Operating and Administration	$ 70,186	$ 69,028
Taxes and Land Leases	1,362	20,601
Repairs and Maintenance	40,215	34,420
Utilities	47,306	50,369
	$ 159,069	$ 174,418

Under Section 27 of the Alberta Housing Act, the Corporation may each year pay a municipality within which any of the Corporation's real property is situated a grant not exceeding the amount that would be recoverable by the municipality if the property were subject to the property taxes of the municipality for the year. To ensure funds spent are targeted to housing programs servicing low income Albertans, Budget 2015 included provisions whereby the Corporation will no longer be paying grants in place of taxes on its properties. This reduced total expenses by roughly $21 million for the 2015-16 fiscal year. Expenses remaining in Taxes and Land Leases relate to outstanding land lease agreements and for assessments to cover local improvements.

DEPARTMENT OF SENIORS AND HOUSING

Financial Statements

March 31, 2016

Independent Auditor's Report
Statement of Operations
Statement of Financial Position
Statement of Cash Flows
Notes to the Financial Statements
Schedule 1 - Revenues
Schedule 2 - Expenses - Directly Incurred Detailed by Object
Schedule 3 - Budget Reconciliation
Schedule 4 - Lapse/Encumbrance
Schedule 5 - Salary and Benefits Disclosure
Schedule 6 - Related Party Transactions
Schedule 7 - Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Seniors and Housing

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Seniors and Housing, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Seniors and Housing as at March 31, 2016, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 1, 2016

Edmonton, Alberta

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF OPERATIONS
Year ended March 31, 2016
(in thousands)

	2016 Budget	2016 Actual	2015 Actual (Restated - Note 3)
Revenues (Schedule 1)			
Investment Income	$ 805	$ 322	$ 215
Other Revenue	135	22,445	25,330
	940	22,767	25,545
Expenses - Directly Incurred (Note 2(b), Schedules 2, 3, 5 and 6)			
Programs			
Ministry Support Services	9,471	8,374	6,205
Seniors Services	35,758	34,216	36,789
Alberta Seniors Benefit	352,509	348,446	338,384
Housing	177,418	177,077	148,601
Alberta Supportive Living Initiative	-	49,195	10,758
2013 Alberta Flooding (Note 9)	480	-	4,465
	575,636	617,308	545,202
Annual Deficit	$ (574,696)	(594,541)	$ (519,657)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016
(in thousands)

	2016	2015 (Restated - Note 3)
Financial Assets		
Accounts Receivable (Note 4)	$ 48,327	$ 48,363
Loans and Advances (Note 5)	12,956	8,534
	61,283	56,897
Liabilities		
Accounts Payable and Accrued Liabilities	142,088	173,712
	142,088	173,712
Net Debt	(80,805)	(116,815)
Non-Financial Assets		
Tangible Capital Assets (Note 6)	6	10
	6	10
Net Liabilities	$ (80,799)	$ (116,805)
Net Liabilities at Beginning of Year	$ (116,805)	$ (201,118)
Annual Deficit	(594,541)	(519,657)
Net Financing Provided from General Revenues	630,547	603,970
Net Liabilities at End of Year	$ (80,799)	$ (116,805)

Contractual Obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF CHANGE IN NET DEBT
Year ended March 31, 2016
(in thousands)

	2016		2015
	Budget	**Actual**	**Actual (Restated - Note 3)**
Annual Deficit	$ (574,696)	$ (594,541)	$ (519,657)
Amortization of Tangible Capital Assets (Note 6)	227	4	4
Net Financing Provided from General Revenue		630,547	603,970
Decrease in Net Debt		$ 36,010	$ 84,317
Net Debt at Beginning of Year		(116,815)	(201,132)
Net Debt at End of Year		$ (80,805)	$ (116,815)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
STATEMENT OF CASH FLOWS
Year ended March 31, 2016
(in thousands)

	2016	2015 (Restated - Note 3)
Operating Transactions		
Annual Deficit	$ (594,541)	$ (519,657)
Non-cash items included in Net Operating Results:		
Amortization	4	4
	4	4
(Increase) Decrease in Accounts Receivable	36	(37)
Decrease in Accounts Payable and Accrued Liabilities	(31,624)	(80,078)
Cash Applied to Operating Transactions	(626,125)	(599,768)
Investing Transactions		
Loans and Advances Made	(5,809)	(5,226)
Repayment of Loans and Advances	1,387	1,022
Cash Applied to Investing Transactions	(4,422)	(4,204)
Financing Transactions		
Net Financing Provided from General Revenues	630,547	603,970
Cash Provided by Financing Transactions	630,547	603,970
Decrease in Cash	-	(2)
Cash at Beginning of Year	-	2
Cash at End of Year	$ -	$ -

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF SENIORS AND HOUSING
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Department of Seniors and Housing operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The department promotes the well-being and quality of life for Alberta seniors and those in need of affordable housing. It develops and maintains programs which assist seniors' independence and promote safety and well-being for Alberta's aging population. The department fosters the development of affordable housing and supports access to housing options for Albertans most in need. To achieve these outcomes, the department works with seniors, Albertans who require housing supports, their families and caregivers, communities and other government partners.

Key Activities:

- Increase Albertans' awareness of elder abuse and support coordinated community response models that address and prevent elder abuse.
- Continue to meet provincial building code standards by upgrading fire and safety systems in government-owned and supported seniors' supportive living accommodations.
- Provide individual and community-based supports that empower seniors to remain independently and fully participate in their chosen communities.
- Support the Department of Health in the creation of 2,000 public long-term care spaces over the next four years.
- Review the regulations under the Alberta Housing Act.
- Work with municipal and federal governments to provide affordable housing options for Albertans; including off-reserve Indigenous populations.
- Collaborate with housing management bodies and other housing providers to enhance operational capacity and to maintain and renew government-owned and supported housing.
- Support the Department of Labour in implementing the Government of Alberta strategic response to Syrian refugees.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Department of Seniors and Housing, which is part of the Ministry of Seniors and Housing and for which the Minister of Seniors and Housing is accountable. The other entity reporting to the minister is the Alberta Social Housing Corporation. The activity of this organization is not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from general revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting.

Government transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred capital contributions and defered revenue if the eligibility criteria of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the department complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the department meets the eligibility criteria (if any).

Deferred Revenue

Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Expenses

Directly Incurred

Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Affordable Supportive Living Initiative (ASLI) grants must be authorized by the Minister of Seniors and Housing and must meet established criteria including: execution of a Master Services Agreement between the Service Provider and Alberta Health Services, evidence of land ownership or lease for the project, and a copy of the development permit.

Incurred by Others

Services contributed by other entities in support of the department operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Loans

Loans are recorded at cost less any discounts and allowance for credit loss.

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;

(b) may be consumed in the normal course of operations; and

(c) are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is put into service.

When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the department's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Debt.

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

• PS 2200 Related Party Disclosure and PS 3420 Inter-entity Transactions (effective April 1, 2017)

PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

• PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)

PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

• PS 3430 Restructuring Transactions (effective April 1, 2018)

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 PROGRAM TRANSFER

(in thousands)

Effective April 1, 2015, responsibility for funding the director and manager positions in Communications was transferred from the Ministry of Executive Council to the Department of Seniors and Housing where they had previously been seconded.

Comparatives for 2015 have been restated as if the Department of Seniors and Housing had always been assigned with its current responsibilities.

NOTE 3 PROGRAM TRANSFER (Cont'd)

(in thousands)

Net liabilities on March 31, 2015 is made up as follows:

Net liabilities at March 31, 2014	$ (201,118)
Annual deficit as previously reported	(519,366)
Previous net financing provided from General Revenue	603,679
Transfer from Ministry of Executive Council	(291)
Net Financing provided from General Revenue	291
Net Liabilities at March 31, 2015	$ (116,805)

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 48,005	$ -	$ 48,005	$ 48,005
Other	1,852	(1,530)	322	358
	$ 49,857	$ (1,530)	$ 48,327	$ 48,363

NOTE 5 LOANS AND ADVANCES

(in thousands)

The Seniors Property Tax Deferral Program was introduced effective April 1, 2013 to help eligible senior homeowners to defer all or part of their annual residential property taxes through a low-interest home equity loan with the Department of Seniors and Housing. Seniors who are 65 years of age or older, are resident in Alberta, own a residential property in Alberta which is their principal residence, and have a minimum of 25% equity in the home, are eligible for a low-interest home equity loan.

The Department of Seniors and Housing pays the property taxes to the municipalities on behalf of the seniors. Except in the case where a residence is being directly transferred to a surviving spouse who is 55 years or older, the deferred taxes plus any outstanding interest must be repaid before the residence can be legally transferred to a new owner. Alternatively, the deferred taxes along with interest can be repaid at any time. Simple interest is charged on the outstanding portion of the loan at a rate based on an estimate of the Government's cost of funding property tax deferral loans, including the cost of making and administering the loans.

The loans are secured by registering a caveat on the certificate of title in a Land Titles Office.

NOTE 5 LOANS AND ADVANCES (Cont'd)

(in thousands)

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Seniors Property Tax Receivable	$ 12,440	$ -	$ 12,440	$ 8,266
Accrued Interest Receivable	516	-	516	268
	$ 12,956	$ -	$ 12,956	$ 8,534

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	2016			
	Equipment[1]	Computer Hardware and Software	Leasehold Improvement	Total
Estimated useful life	10 years	5 years	10 years	
Historical Cost				
Beginning of Year	$ 99	$ 736	$ 71	$ 906
Write-downs[2]	-	(662)	-	(662)
	$ 99	$ 74	$ 71	$ 244
Accumulated Amortization				
Beginning of Year	89	736	71	896
Amortization Expense	4	-	-	4
Effect of Write-downs	-	(662)	-	(662)
	93	74	71	238
Net book value at March 31, 2016	$ 6	$ -	$ -	$ 6
Net book value at March 31, 2015	$ 10	$ -	$ -	$ 10

(1) Equipment includes office and other equipment.

(2) Housing information legacy systems, Municipal Affairs Mortgage Manager (MAMM) are no longer in use.

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the department to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for the Affordable Supportive Living Initiative where agreements are signed have been included as a program obligation.

	2016	2015
Obligations under Operating Leases, Contracts and Programs	$ 47,922	$ 16,476
	$ 47,922	$ 16,476

NOTE 7 CONTRACTUAL OBLIGATIONS (Cont'd)

(in thousands)

Estimated payment requirements for each of the next three years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Program Commitments	Service Contracts	Total
2016-17	$ 35,300	$ 3,303	$ 38,603
2017-18	7,372	1,103	8,475
2018-19		844	844
	$ 42,672	$ 5,250	$ 47,922

NOTE 8 BENEFIT PLANS

(in thousands)

The department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,174 for the year ended March 31, 2016 (2015 – $2,507). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported a surplus of $83,006 (2015- surplus $86,888) and the Management, Opted Out and Excluded Plan a surplus of $29,246 (2015 - surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 9 2013 ALBERTA FLOODING

(in thousands)

The department committed $4.8 million in funding to replace a portion of the Medicine Tree Manor seniors lodge in High River which was impacted by the 2013 Southern Alberta Floods. In 2014-15, ninety percent of the funding was provided to the grant recipient with the remaining ten percent to be provided upon completion of the project. The payment of the ten percent has been delayed due to the Senior's Lodge being damaged by fire in December 2015.

NOTE 10 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the senior financial officer and the deputy minister.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2016
(in thousands)

Schedule 1

	2016 Budget	2016 Actual	2015 Actual
Investment Income	$ 805	$ 322	$ 215
Other Revenue			
Prior Year Expenditure Refunds	135	22,445	25,330
	135	22,445	25,330
Total Revenues	$ 940	$ 22,767	$ 25,545

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2016
(in thousands)

Schedule 2

	2016		2015
	Budget	Actual	Actual (Restated - Note 3)
Salaries, Wages and Employee Benefits	$ 31,110	$ 26,355	$ 21,822
Supplies and Services	8,168	6,777	5,721
Grants	535,933	584,069	516,268
Amortization of Tangible Capital Assets	227	4	4
Other	198	103	1,387
	$ 575,636	$ 617,308	$ 545,202

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016
(in thousands)

Schedule 3

		Voted Estimate [1]	Supplementary Estimate [2]	Adjusted Voted Estimate	Voted Actuals [3]	Unexpended (Over Expended)
Program - Operational						
1	**Ministry Support Services**					
1.1	Minister's Office	$ 663	$ -	$ 663	$ 660	$ 3
1.2	Deputy Minister's Office	755	-	755	759	(4)
1.3	Strategic Corporate Services	7,070	-	7,070	6,164	906
1.4	Communications	812	-	812	772	40
		9,300	-	9,300	8,355	944
2	**Seniors Services**					
2.1	Program Delivery	2,996	-	2,996	2,129	867
2.2	Seniors Strategies	4,052	-	4,052	3,253	799
2.3	Special Needs Assistance and Project Grants	27,047	-	27,047	28,366	(1,319)
2.4	Property Tax Deferral	663	-	663	506	157
2.5	Seniors Advocate	1,000	-	1,000	-	1,000
		35,758	-	35,758	34,254	1,503
3	**Alberta Seniors Benefit**					
3.1	Program Delivery	8,591	-	8,591	8,950	(359)
3.2	Alberta Seniors Benefit Grants	343,818	-	343,818	339,298	4,520
		352,409	-	352,409	348,248	4,162
4	**Housing**					
4.1	Program Delivery	694	-	694	655	39
4.2	Housing Capital Programs	4,379	-	4,379	2,845	1,534
4.3	Housing Strategies and Stakeholder Relations	4,202	-	4,202	3,735	467
4.4	Housing Funding and Accountability	3,461	-	3,461	2,758	703
4.5	Assistance to Alberta Social Housing Corporation	164,588	-	164,588	167,088	(2,500)
		177,324	-	177,324	177,081	243
	Total	$ 574,791	$ -	$ 574,791	$ 567,938	$ 6,852
	Lapse/(Encumbrance)					$ 6,852

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016
(in thousands)

Schedule 3
(Cont'd)

		Voted Estimate [1]	Supplementary Estimate [2]	Adjusted Voted Estimate	Voted Actuals [3]	Unexpended (Over Expended)
Program - Capital Grants						
5	**Affordable Supportive Living Initiative**					
5.2	Infrastructure Support	$ -	$ 50,500	$ 50,500	$ 49,307	$ 1,193
6	**2013 Alberta Flooding**					
6.1	Housing Support	480	-	480	-	480
	Total	$ 480	$ 50,500	$ 50,980	$ 49,307	$ 1,673
	Lapse/(Encumbrance)					$ 1,673
Financial Transactions						
2	**Seniors Services**					
2.4	Property Tax Deferral	$ 9,500	$ -	$ 9,500	$ 5,488	$ 4,012
	Lapse/(Encumbrance)	$ 9,500	$ -	$ 9,500	$ 5,488	$ 4,012
						$ 4,012

(1) As per "Operational Vote by Program" and "Voted Capital Vote by Program" of 2015-16 Government Estimates.

(2) Per the Supplementary Supply Estimates approved by Treasury Board on March 23, 2016, $50.5 million is to provide capital grants to fund expenses to date and for forecasted current commitments for the Affordable Supportive Living Initiative.

(3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year ended March 31, 2016
(in dollars)

Schedule 4

	2016				2015
	Base Salary[1]	Other Cash Benefits[2]	Other Non-Cash Benefits[3]	Total	Total
Department					
Deputy Minister [4][5]	$ 290,733		$ 71,355	$ 362,088	$ 184,991
Executives					
Assistant Deputy Minister, Strategic Services	200,371		52,595	252,966	132,953
Assistant Deputy Minister, Seniors	182,430		47,635	230,065	215,495
Assistant Deputy Minister, Housing	200,371		50,990	251,361	242,781
Executive Director, Financial Services [4]	152,655	32,261	40,368	225,284	220,908
Executive Director, Human Resources	154,445		41,550	195,995	101,611
Director, Communications	116,818		32,311	149,129	70,498

[1] Base salary includes regular salary and earnings such as acting pay.

[2] Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2016.

[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

[4] The position was occupied by two individuals at different times during the year.

[5] Automobile provided until August 2015, no dollar amount included in other non-cash benefits.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Schedule 5

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the department.

The department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses - Directly Incurred				
Grants	$ 167,088	$ 139,305	$ -	$ -
Business and Technology Services	-	-	1,485	614
	$ 167,088	$ 139,305	$ 1,485	$ 614
Receivables from				
Alberta Health	$ -	$ -	$ -	$ 99
	$ -	$ -	$ -	$ 99
Payables to				
Alberta Health Services	$ -	$ -	$ 23	$ 22
Post Secondary Institutions	-	-	31	35
	$ -	$ -	$ 54	$ 57

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Schedule 5
(Cont'd)

The department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 6.

	Other Entities	
	2016	2015
Expenses - Incurred by Others (Schedule 6)		
Accommodation	$ 2,277	$ 2,051
Business Services[1]	1,144	790
Legal	311	211
	$ 3,732	$ 3,052

[1] Business Services includes financial and administrative services and corporate training costs.

DEPARTMENT OF SENIORS AND HOUSING
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2016
(in thousands)

Schedule 6

	2016					2015
		Expenses - Incurred by Others				
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Business Services[4]	Total Expenses	Total Expenses (Restated - Note 3)
Ministry Support Services	$ 8,374	$ 786	$ 276	$ 16	$ 9,452	$ 6,726
Seniors Services	34,216	612	34	63	34,925	37,553
Alberta Seniors Benefit	348,446	751	-	646	349,843	339,638
Housing	177,077	128	1	328	177,534	149,040
Alberta Supportive Living Initiative	49,195	-	-	91	49,286	10,826
2013 Alberta Flooding	-	-	-	-	-	4,471
	$ 617,308	$ 2,277	$ 311	$ 1,144	$ 621,040	$ 548,254

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] Cost shown for Accommodation on Schedule 5, allocated by number of employees.

[3] Costs shown for Legal Services on Schedule 5, allocated by costs in certain programs.

[4] Costs shown for Business Services include charges for IT support, vehicles, internal audit services and other services on Schedule 5, allocated by estimated costs incurred by each program.

Alberta Social Housing Corporation

Financial Statements

March 31, 2016

Independent Auditor's Report
Statement of Operations
Statement of Financial Position
Statement of Change in Net Financial Assets
Statement of Cash Flows
Notes to the Financial Statements
Schedule 1 - Revenues
Schedule 2 - Expenses - Directly Incurred Detailed by Object
Schedule 3 - Capital Investment
Schedule 4 - Related Party Transactions
Schedule 5 - Allocated Costs
Supplementary Information to the Financial Statements (Unaudited)

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Seniors and Housing

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Social Housing Corporation, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Social Housing Corporation as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 1, 2016

Edmonton, Alberta

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF OPERATIONS
Year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
		(in thousands)	
Revenues (Schedule 1)			
Government Transfers			
Government of Alberta Grants	$ 164,588	$ 167,088	$ 139,305
Federal Government Grants (Note 16)	92,632	82,587	75,945
Investment Income	1,300	1,585	2,114
Other	7,395	41,966	13,127
	265,915	293,226	230,491
Expenses - Directly Incurred (Note 2(b) and 5, Schedules 2 and 5)			
Programs			
Seniors Housing	78,340	88,070	76,228
Family Housing - Community Housing	49,582	49,631	77,289
Family Housing - Rent Supplement	65,300	64,167	65,625
Family Housing - Other	70	47	81
Special Needs Housing	5,802	5,435	5,383
Emergency Housing (Note 3)	1,438	5,489	6,099
Interest on Debt for Social Housing	8,320	8,268	10,342
	208,852	221,107	241,047
Annual Surplus (Deficit)	$ 57,063	$ 72,119	$ (10,556)

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	2015
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 156,087	$ 213,751
Accounts Receivable (Note 5)	137,100	82,448
Loans and Advances (Note 6)	31,248	27,484
Inventories for Resale (Note 7)	-	1,903
	324,435	325,586
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	29,159	25,309
Deferred Revenue	18	18
Unspent Deferred Capital Contributions (Note 9)	72,091	59,990
Debentures and Notes Payable (Note 10)	75,634	110,049
	176,902	195,366
Net Financial Assets	147,533	130,220
Non-Financial Assets		
Tangible Capital Assets (Note 11)	713,008	659,514
Net Assets	$ 860,541	$ 789,734
Net Assets at Beginning of Year	$ 789,734	$ 801,911
Adjustments to Net Assets (Note 14) (Schedule 4)	(1,312)	(1,621)
Annual Surplus (Deficit)	72,119	(10,556)
Net Assets at End of Year	$ 860,541	$ 789,734

Contingent Liabilities and Contractual Obligations (Notes 12 and 13)

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
As at March 31, 2016

	2016		2015
	Budget	Actual	Actual
		(in thousands)	
Annual Surplus (Deficit)	$ 57,063	$ 72,119	$ (10,556)
Acquisition of Tangible Capital Assets	(168,034)	(74,055)	(88,382)
Amortization of Tangible Capital Assets (Note 11) (Schedule 2)	32,087	33,181	32,103
Gain on Disposal of Tangible Capital Assets	(2,000)	(1,801)	(961)
Loss on Disposal of Tangible Capital Assets	300	696	12,854
Proceeds on Disposal/Sale of Tangible Capital Assets		441	6,400
Grants in Kind (Note 2b and 11d)		(13,158)	14,412
Capital Contributions in Kind (Note 11d)		(110)	(1,417)
Increase / (Decrease) in Net Financial Assets		$ 17,313	$ (35,547)
Net Financial Assets at Beginning of Year		130,220	165,767
Net Financial Assets at End of Year		$ 147,533	$ 130,220

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015
	(in thousands)	
Operating Transactions		
Annual Surplus (Deficit)	$ 72,119	$ (10,556)
Non-cash items included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 11)	33,181	32,103
Deferred Capital Contribution recognized as Revenue (Note 9)	(7,969)	-
Grants in Kind (Note 2b and 11d)	(13,158)	14,412
Capital Contributions in Kind (Note 11d)	(110)	(1,417)
Gain on Disposal of Tangible Capital Assets	(1,801)	(961)
Loss on Disposal of Tangible Capital Assets	696	12,854
	82,958	46,435
(Increase) Decrease in Accounts Receivable	(54,652)	26,036
Increase in Loans and Advances	(3,764)	(5,075)
(Increase) Decrease in Inventories for Resale	1,903	(1,903)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	3,850	(30,871)
Increase in Deferred Revenue	-	3
Cash Provided by Operating Transactions	30,295	34,625
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 3)	(74,055)	(88,382)
Proceeds on Disposal/Sale of Tangible Capital Assets	441	6,400
Cash Applied to Capital Transactions	(73,614)	(81,982)
Financing Transactions		
Repayment of Debentures and Notes Payable	(34,415)	(32,378)
Contributions Restricted for Capital (Note 9)	20,070	19,930
Cash Applied to Financing Transactions	(14,345)	(12,448)
Decrease in Cash and Cash Equivalents	(57,664)	(59,805)
Cash and Cash Equivalents at Beginning of Year	213,751	273,556
Cash and Cash Equivalents at End of Year	$ 156,087	$ 213,751

The accompanying notes and schedules are part of these financial statements.

ALBERTA SOCIAL HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Alberta Social Housing Corporation (the Corporation) operates under the authority of the *Alberta Housing Act*, Chapter A-25, Revised Statutes of Alberta 2000. The Act is administered by the Department of Seniors and Housing.

The Corporation's primary purpose is to facilitate the provision of affordable housing options through community based housing organizations to low-income seniors, families, individuals and those with special needs. The Corporation owns and administers the Crown's portfolio of housing assets and manages provincial debts and agreements associated with those assets. This includes administering the sale of provincially owned properties that are no longer efficient or effective for social housing programs. The Corporation also oversees the provincial commitments and entitlements remaining from discontinued business activities such as mortgages and loan guarantees.

The Corporation is a crown agent of the Government of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Corporation, which is part of the Ministry of Seniors and Housing and for which the Minister of Seniors and Housing is accountable. The other entity reporting to the minister is the Department of Seniors and Housing. The activities of the department are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting.

Government Transfers
Transfers from the Government of Alberta and federal government are referred to as government transfers.

Government transfers are recorded as deferred capital contributions and deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the Corporation's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the Corporation complies with its communicated uses of these transfers. Restricted capital contributions are recognized as deferred revenue when eligibility criteria are met and recognized as revenue over the useful life of the acquired or constructed tangible capital assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Revenue (Cont'd)

Deferred Revenue
Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Expenses
Directly Incurred
Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as supplies and services, directly incurred expenses also include:
- amortization of tangible capital assets,
- debt servicing costs, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Grant Expense
Grants are recognized as expenses when authorized, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by related other entities in support of the Corporation's operations are not recognized and are disclosed in Schedule 4 and allocated to programs in Schedule 5.

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability. The fair value of long term debt is disclosed in Note 10.

Financial Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the Corporation are limited to financial claims, such as advances to and receivables from other organizations and individuals, as well as inventories held for resale.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Financial Assets (Cont'd)

Accounts Receivable
Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Loans and advances
Loans and advances are recorded at cost less provisions for estimated losses. Cost includes amounts advanced, accrued interest and other charges, less repayments and subsidies. Loans and advances include mortgages and advances to housing providers to address short term cash flow needs for specified projects and operating pressures.

Inventories for resale
Inventories for resale that are expected to be sold within one year are considered financial assets. Inventories for resale are valued at the lower of cost and expected net realizable value. Cost includes amounts for improvements to prepare the assets for sale.

Liabilities
Liabilities are present obligations to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets
Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver services;
(b) may be consumed in the normal course of operations; and
(c) are not for sale in the normal course of operations

Non-financial assets of the Corporation are limited to tangible capital assets.

Tangible Capital Assets
Tangible capital assets of the Corporation are recorded at historical cost and, except for land, are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Contributed tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the tangible capital asset is put into service.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Non-Financial Assets (Cont'd)

Tangible Capital Assets (Cont'd)
When physical assets (tangible capital assets) are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

There were no assets acquired by rights for the Corporation.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Estimates relating to the determination of the Housing Management Bodies accounts receivable recorded and disclosed as $19,872 (2015 - $10,894) in these financial statements, is subject to measurement uncertainty. This balance is recorded based on budgeted figures which may not reflect actual audited amounts.

Financial Instruments
Financial instruments consist of Cash and Cash Equivalents, Accounts Receivable, Loans and Advances, Accounts Payable and Accrued Liabilities, and Debentures and Notes Payable. They are initially recognized at cost and subsequently carried at amortized cost. Write-downs on financial assets are recognized when the amount of a loss is known with sufficient precision, and there is no reasonable expectation of recovery. The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such has not included a Statement of Remeasurement Gains and Losses.

Risk Management
The Corporation has minimal exposure to credit risk, liquidity risk and interest rate risk due to the nature of its operations. The primary creditors of the Corporation are the Government of Alberta and the federal government. Both governments provide operational support to the Corporation, thus reducing exposure to credit risk. Liquidity risk is minimized given the cash and cash equivalent balance within the Corporation and the annual operational funding provided by the Department of Seniors and Housing for debt repayment. As interest rates on Debentures and Notes Payable are fixed, the Corporation is not exposed to interest rate fluctuation risk because the future cash flows of the debt will not fluctuate with future market interest rate change.

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the Corporation's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Debt/Net Financial Assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 2013 ALBERTA FLOODING

(in thousands)

The full recovery from the June 2013 flood in southern Alberta will take a number of years. During 2013-14, the Corporation was assigned responsibility as part of the Government of Alberta's flood response to provide emergency and interim housing for those Albertans displaced by the Southern Alberta flood incident. The Corporation also provided direct support to Housing Management Bodies whose residents were displaced and buildings were impacted by the flood. In addition, the Corporation was asked by the Ministry of Indigenous Relations to assist with not only the provision of emergency and interim housing, but the inspections, repairs and rebuilds of homes on Siksika and Stoney Nakoda First Nations. The costs incurred by the Corporation in response to the flood have been fully offset by the Government of Alberta through the ministries of Municipal Affairs and Indigenous Relations and the Department of Seniors and Housing which will reflect the costs. Neither the flood costs incurred by the Corporation during the year or the reimbursement are reflected in these financial statements. The amounts incurred total $75,164 (2015 - $180,005). However, funds due to or payable from the Corporation reflect flood related amounts and are included in these statements. These amounts are disclosed in Note 5 and 8, respectively.

NOTE 4 CASH AND CASH EQUIVALENTS

Cash includes deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short term securities with a maximum term to maturity of three years. As at March 31, 2016, securities held by the fund have a time-weighted return of 0.8% per annum (2015: 1.2% per annum). Due to the short term nature of CCITF investments, the carrying value approximates fair value.

NOTE 5 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016			2015
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Ministry of Indigenous Relations[a]	$ 13,361	$ -	$ 13,361	$ -
Ministry of Municipal Affairs[a]	2,877	-	2,877	-
Canada Mortgage and Housing Corporation	91,265	-	91,265	62,933
Housing Providers	19,872	-	19,872	10,894
Alberta Risk Management Fund[a]	6,778	-	6,778	6,706
Other	2,976	(29)	2,947	1,915
	$ 137,129	$ (29)	$ 137,100	$ 82,448

(a) Costs incurred by the Corporation in response to the June 2013 Southern Alberta flood, have been fully offset through the ministries of Municipal Affairs and Indigenous Relations, the Department of Seniors and Housing and the Alberta Risk Management Fund. Flood related funds due to the Corporation totalling $17,003 (2015 - $765) is comprised of $13,361 (2015 - $0) from the Ministry of Indigenous Relations, $2,877 (2015 - $0) from the Ministry of Municipal Affairs and $765 (2015 - $765) from the Alberta Risk Management Fund.

NOTE 6 LOANS AND ADVANCES

(in thousands)

	2016			2015
	Gross Amount	Allowance for Losses	Net Realizable Value	Net Realizable Value
Rural and Native [(a)]	$ 37	$ -	$ 37	$ 218
Housing Providers' Reserves [(b)]	5,127	-	5,127	5,127
Rent Supplement [(c)]	14,327	-	14,327	14,327
Southern Alberta Flooding [(d)]	1,878	-	1,878	2,878
Other Loans and Advances	9,879	-	9,879	4,934
	$ 31,248	$ -	$ 31,248	$ 27,484

(a) Mortgages receivable provided under the Rural and Native Housing program are repayable over an amortization period of 25 years with a five-year interest renewal term.

(b) Housing Providers are provided an advance based on the number of housing units under management in order to address short term operating cash flow requirements during the year. These cash advances can be collected at any time at the discretion of the minister. These funds are required to be replenished by the Housing Providers.

(c) Housing Management Bodies are provided an advance for approximately two months of anticipated annual operational funding requirements to administer the Rent Supplement Program. These cash advances can be collected at any time at the discretion of the minister. These cash advances are replenished as monthly claims are processed.

(d) Cash advances were provided to Housing Management Bodies and organizations as a result of the Southern Alberta Flooding incident to help manage flood disaster relief and rebuild and address cash flow needs.

NOTE 7 INVENTORIES FOR RESALE

(in thousands)

Inventory for resale relate to 30 manufactured housing units that were sold at cost to the Siksika First Nation as part of the Southern Alberta Flooding recovery efforts.

	2016	2015
Manufactured housing units inventory	$ -	$ 1,903

NOTE 8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2016	2015
Alberta Infrastructure	$ 245	$ 45
Alberta Risk Management Fund	676	718
Alberta Treasury Board and Finance	40	5,165
Canada Mortgage and Housing Corporation	1,846	1,478
Housing Providers	17,505	7,849
Other[a]	8,847	10,054
	$ 29,159	$ 25,309

(a) $3,283 (2015 - $1,186) are flood related payables for the provision of interim housing and repairs and rebuilds of homes.

NOTE 9 DEFERRED CAPITAL CONTRIBUTIONS

(in thousands)

	2016	2015
Unspent deferred capital contributions and transfers [a]	$ 72,091	$ 59,990
Spent deferred capital contributions and transfers	-	-
	$ 72,091	$ 59,990

(i) Unspent deferred capital contributions and transfers [a]

	2016	2015
Balance at beginning of year	$ 59,990	$ 40,060
Cash contributions received/receivable during year	20,070	19,930
Transferred to spent deferred capital contributions and transfers	(7,969)	-
Balance at end of year	$ 72,091	$ 59,990

(ii) Spent deferred capital contributions and transfers

	2016	2015
Balance at beginning of year	$ -	$ -
Transferred from unspent deferred capital contributions and transfers	7,969	-
Less amounts recognized as revenue	(7,969)	-
Balance at end of year	$ -	$ -

(a) Federal funding has been committed to improving and preserving the quality of Affordable Housing under the Canada-Alberta Agreement for Investment in Affordable Housing with Canada Mortgage and Housing Corporation (CMHC). Most deferred capital contributions have not been spent or recognized as revenue as projects are still under development and not completed.

NOTE 10 DEBENTURES AND NOTES PAYABLE

(in thousands)

The Corporation's long term debt and exposure to interest rate risk are summarized as follows:

	2016	2015
Canada Mortgage and Housing Corporation [a]	$ 59,128	$ 61,944
Alberta Treasury Board and Finance [b]	16,506	48,105
	$ 75,634	$ 110,049

(a) Debentures maturing January 2023 to January 2030, with a weighted average effective rate of 9.685%.

(b) Note payable maturing September 16, 2016, with an effective rate of 5.93%.

The Province of Alberta guarantees the repayment of principal and interest on all borrowings. The debentures, including interest thereon, are repayable in equal annual or semi-annual instalments and the note payable is repayable in equal semi-annual instalments.

Approximate aggregate repayments of principal in each of the next five years are:

2017	19,588
2018	3,375
2019	3,696
2020	4,047
2021	4,432
Thereafter	40,496
	$ 75,634

Long term debt has a fair value of $89,689 (2015 - $91,797) for Canada Mortgage and Housing Corporation debentures and $16,909 (2015 - $50,507) for the note payable to Alberta Treasury Board and Finance. Fair values for debt are based on the Province of Alberta's current borrowing rates which are available to the Corporation for debt with similar terms and maturities.

NOTE 11 TANGIBLE CAPITAL ASSETS

(in thousands)

	Land	Buildings[a]	Computer Hardware and Software	Other[b]	2016 Total	2015 Total
Estimated Useful Life	Indefinite	10-50 years	3 years	10 years		
Historical Cost[c]						
Beginning of Year	$ 140,407	$ 1,209,943	$ 3,715	$ 12,817	$ 1,366,882	$ 1,315,728
Additions[d] (Schedule 3)	14,674	69,874	-	4,181	88,729	89,799
Disposals, Including Write-downs[e]	(39)	(1,696)	-	(2,146)	(3,881)	(38,645)
	$ 155,042	$ 1,278,121	$ 3,715	$ 14,852	$ 1,451,730	$ 1,366,882
Accumulated Amortization						
Beginning of Year	-	702,734	39	4,595	707,368	679,584
Amortization Expense	-	30,847	1,203	1,131	33,181	32,103
Effect of Disposals	-	(992)	-	(834)	(1,826)	(4,319)
	-	732,589	1,242	4,892	738,723	707,368
Net Book Value at March 31, 2016	$ 155,042	$ 545,532	$ 2,473	$ 9,960	$ 713,007	
Net Book Value at March 31, 2015	$ 140,407	$ 507,209	$ 3,676	$ 8,222		$ 659,514

(a) Seniors and special needs buildings are amortized over 50 years, community housing buildings over 40 to 50 years, and all other buildings over 10 to 25 years.

(b) Other tangible capital assets include manufactured housing units and trailers.

(c) Historical cost includes work-in-progress at March 31, 2016 totalling $86,020 comprised of: land $558 (2015 - $0); buildings $81,281 (2015 - $53,562); and other $4,181 (2015 - $0).

(d) Land additions totalling $14,674 is comprised of:

(i) $13,158 is related to an adjustment on the original Willow Square land transfer to the Wood Buffalo Housing and Development Corporation (WBHDC) which was intended for development to provide new affordable housing options to seniors and lower-income residents in the community. In November 2015, government decided to move the site of a new continuing care project from Parsons Creek to Willow Square. As a result, the intended transfer of the land to the WBHDC was cancelled.

(ii) $1,406 is related to a land exchange with the Town of Canmore to facilitate the development of a new lodge facility.

(iii) $110 is related to land donated to the Corporation from Lamont New Horizons Drop In Centre for the development of a new lodge facility.

NOTE 11 TANGIBLE CAPITAL ASSETS (Cont'd)
(in thousands)

(e) Disposals totalling $3,881 is comprised of:

(i) $2,146 for transfers of manufactured housing units to the ministries of Education and Environment and Parks to address the ongoing need for staff housing across Alberta.

(ii) $1,735 primarily for demolition of various properties to facilitate new constructions.

NOTE 12 CONTINGENT LIABILITIES
(in thousands)

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

The Corporation has been named in five (2015: zero) claims of which the outcome is not determinable. Of these claims, five (2015: zero) have specified amounts totalling $2,925 (2015: $0). Included in the total claims, three claims totalling $725 (2015: zero claims) are covered in whole or in part by the Alberta Risk Management Fund.

The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 13 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts or agreements are met. Grants for housing providers approved for future years have been included as a program obligation.

	2016	2015
Obligations under Operating Leases, Contracts and Programs[a]	$ 174,328	$ 206,309
Obligations under Capital Contracts and Grants	168,929	51,047
	$ 343,257	$ 257,356

(a) Obligations for Southern Alberta Flooding contracts are excluded as they have been set up as accrued liabilities in the ministries of Municipal Affairs and Indigenous Relations.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Operating Contracts and Programs[b]	Operating Leases[c]	Total
2016-17	$ 18,083	$ 1,347	$ 19,430
2017-18	16,693	1,347	18,040
2018-19	16,419	1,347	17,766
2019-20	16,290	1,347	17,637
2020-21	16,031	1,347	17,378
Thereafter	58,821	25,256	84,077
	$ 142,337	$ 31,991	$ 174,328

(b) Grants committed for future years under agreement with Housing Providers that would fund operating supports and amortization costs.

(c) The Corporation leases land under various leases for the purpose of providing social housing.

Obligations Under Capital Contracts and Grants[d]

	Capital Contracts	Capital Grants	Total
2016-17	$ 86,130	$ 35,202	$ 121,332
2017-18	20,778	26,641	47,419
2018-19	178	-	178
2019-20	-	-	-
2020-21	-	-	-
Thereafter	-	-	-
	$ 107,086	$ 61,843	$ 168,929

(d) These capital contracts are made up of the Corporation's development projects and capital asset maintenance and amounts commited to housing providers for capital grants.

NOTE 14 ADJUSTMENTS TO NET ASSETS

(in thousands)

The reconciliation of adjustments to net assets is as follows:

	2016	2015
Transfer of manufactured housing units to the ministries of Education and Environment and Parks (Schedule 4)	$ (1,312)	$ (1,621)

NOTE 15 SUBSEQUENT EVENTS

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The Corporation has properties in Fort McMurray that incurred smoke and other damages which are insured under Risk Management and Insurance and delivers several programs through Wood Buffalo Housing and Development Corporation. The financial impact on the Corporation may be significant but is uncertain at this stage.

NOTE 16 PROGRAM RECOVERIES

Canada Mortgage and Housing Corporation (CMHC) provides contributions toward subsidies of rental properties and mortgages receivable and for certain capital costs, the administration expenses and net operating results of approved community housing projects through cost-sharing agreements. CMHC also provides contributions for net operating results of approved community, special needs and seniors housing and rent supplement projects.

NOTE 17 SALARIES AND BENEFITS

The Corporation has no salaries or benefits to disclose due to the Corporation having no employees as per 25(2) of the *Alberta Housing Act*. The Department of Seniors and Housing staff administers the Corporation, and the estimated value of these services is included in Schedules 4 and 5 as an expense incurred by others.

The Corporation did not pay honoraria to its board members.

NOTE 18 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 19 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and President of the Alberta Social Housing Corporation.

Schedule 1

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
		(in thousands)	
Government Transfers			
Government of Alberta Grants			
Transfers from the Department of Seniors and Housing	$ 164,588	$ 167,088	$ 139,305
Federal Government Grants			
Recoveries from Canada Mortgage and Housing Corporation (Note 16)			
Social Housing Agreement			
Seniors Housing	22,383	31,212	22,956
Family Housing - Community Housing	34,409	34,161	36,876
Family Housing - Rent Supplement	12,000	13,592	12,900
Family Housing - Other	-	69	(60)
Special Needs Housing	3,650	3,553	3,273
Investment in Affordable Housing			
Seniors Lodges	20,000	-	-
Family Housing - Community Housing	190	-	-
	92,632	82,587	75,945
Investment Income	1,300	1,585	2,114
Other Revenue[1]			
Gains from Disposal of Tangible Capital Assets	2,000	1,801	961
Recoveries from Housing Providers	5,300	13,997	6,715
Rental Revenues	95	680	313
Contribution from Housing Providers and Third Parties (Note 11d)	-	110	1,417
Refunds of Expenditures	-	22,723	3,587
Miscellaneous	-	2,655	134
	7,395	41,966	13,127
Total Revenues	$ 265,915	$ 293,226	$ 230,491

[1] Other Revenue in the current year includes a significant amount of revenue as a result of:

(a) Budget 2015 including provisions whereby the Corporation will no longer be paying grants in place of taxes on its properties.

(b) An adjustment on the original Willow Square land transfer to the Wood Buffalo Housing and Development Corporation (WBHDC) which was intended for development to provide new affordable housing options to seniors and lower-income residents in the community. In November 2015, government decided to move the site of a new continuing care project from Parsons Creek to Willow Square. As a result, the intended transfer of the land to the WBHDC was cancelled.

Schedule 2

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
	(in thousands)		
Supplies and Services	$ 9,085	$ 10,972	$ 7,138
Operating Grants	149,170	148,798	175,207
Capital Grants	10,190	19,192	3,403
Debt Servicing Costs	8,320	8,268	10,342
Amortization of Tangible Capital Assets	32,087	33,181	32,103
Other	-	696	12,854
	$ 208,852	$ 221,107	$ 241,047

Schedule 3

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
CAPITAL INVESTMENT
Year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
		(in thousands)	
Capital Investment by Program			
Seniors Housing	$ 150,931	$ 60,670	$ 50,313
Family Housing - Community Housing	17,103	9,195	18,975
Family Housing - Rent Supplement	-	-	1,428
Special Needs Housing	-	-	15
Emergency Housing	-	4,190	17,651
Total	$ 168,034	$ 74,055	$ 88,382

	2016 Budget	2016 Actual	2015 Actual
		(in thousands)	
Capital Investment by Envelope			
Sustainable Housing Renewal – Rural and Urban	$ 26,536	$ 22,841	$ 22,946
Capital Maintenance and Renewal	141,498	47,033	41,782
Other Capital Projects	-	4,181	23,654
Total	$ 168,034	$ 74,055	$ 88,382

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the Department of Seniors and Housing.

The Corporation paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Corporation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Government of Alberta Transfers	$ 167,088	$ 139,305	$ -	$ -
Rental Revenues	-	-	34	51
	$ 167,088	$ 139,305	$ 34	$ 51
Expenses - Directly Incurred				
Insurance Premiums	$ -	$ -	$ 5,201	$ 5,566
Debt Servicing Costs	-	-	2,342	4,166
Technology Services	-	-	2	-
	$ -	$ -	$ 7,545	$ 9,732
Tangible Capital Assets Transferred In (Out)				
Alberta Environment and Parks [1]	$ -	$ -	$ (1,083)	$ -
Alberta Education [2]	-	-	(229)	(1,621)
	$ -	$ -	$ (1,312)	$ (1,621)
Receivable from				
Alberta Risk Management Fund [3][4]	$ -	$ -	$ 6,778	$ 6,706
Alberta Treasury Board and Finance	-	-	3	31
Alberta Municipal Affairs [4]	-	-	2,877	-
Alberta Indigenous Relations [4]	-	-	13,361	-
	$ -	$ -	$ 23,019	$ 6,737
Payable to				
Alberta Treasury Board and Finance [5]	$ -	$ -	$ 16,546	$ 53,269
Alberta Risk Management Fund	-	-	676	718
Alberta Municipal Affairs [4]	-	-	-	185
Alberta Infrastructure	-	-	245	45
	$ -	$ -	$ 17,467	$ 54,217

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

(1) This amount is for the transfer of housing units to Alberta Environment and Parks to assist the housing needs of staff in remote locations or where accommodation prices make it difficult to recruit staff.

(2) This amount is for the transfer of housing units to Alberta Education to address the need for teachers housing for Northland School Division.

(3) $6,013 (2015: $5,941) of amounts due to the Corporation from the Alberta Risk Management Fund are for property insurance claims while the remaining $765 (2015 - $765) are flood related funds.

(4) Flood related funds due to the Corporation totalling $17,003 (2015 - $765) is comprised of $13,361 (2015 - $0) from the Ministry of Indigenous Relations, $2,877 (2015 - $0) from the Ministry of Municipal Affairs, and $765 (2015 - $765) from the Alberta Risk Management Fund.

(5) Amount primarily represents principal repayments and interest on debt.

The Corporation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 5.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses - Incurred by Others				
Salaries and wages	$ 8,204	$ 7,197	$ -	$ -
Supplies and services	610	831	-	-
Accommodation	-	-	1,154	1,350
Legal	-	-	-	19
	$ 8,814	$ 8,028	$ 1,154	$ 1,369

Schedule 5

ALBERTA SOCIAL HOUSING CORPORATION
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2016
(in thousands)

	2016						2015
	Expenses - Directly Incurred[1]		Expenses - Incurred by others[2]				
Program	Expenses	Interest on Debt for Social Housing	Other Services[3]	Accommodation Costs[4]	Legal Services[5]	Total Expenses	Total Expenses
Seniors Housing	$ 88,070	$ 3,737	$ 5,887	$ 771	$ -	$ 98,465	$ 87,137
Family Housing - Community Housing	49,631	4,530	2,453	321	-	56,935	85,600
Family Housing - Rent Supplement	64,167	-	35	5	-	64,207	65,667
Family Housing - Other	47	-	62	8	-	117	149
Special Needs Housing	5,435	1	377	49	-	5,862	5,791
Emergency Housing	5,489	-	-	-	-	5,489	6,100
	$ 212,839	$ 8,268	$ 8,814	$ 1,154	$ -	$ 231,075	$ 250,444

[1] Expenses - Directly Incurred as per Statement of Operations.

[2] Costs shown for Expenses - Directly Incurred by Others are as disclosed in Schedule 4.

[3] Other Services includes salaries and wages, and supplies and services.

[4] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 4, allocated by number of Department of Seniors and Housing staff that administers the Corporation.

[5] Costs shown for Legal Services on Schedule 4, allocated by estimated costs incurred by each program.

ALBERTA SOCIAL HOUSING CORPORATION
SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS (Unaudited)
March 31, 2016
(in thousands)

The following unaudited supplementary information is intended to provide additional information to financial readers regarding the provision of seniors' self-contained and community housing programs through housing providers. The Corporation establishes budgets for each provider.

Grants are provided to cover operating support for various housing programs and are recorded as expenses. Recoveries are received from housing providers who operate with surpluses and are recorded as revenues. Costs for property insurance, amortization and interest on long term debt are incurred and recorded directly in the financial statements of the Corporation.

The housing providers' fiscal year is January to December. Their annual budgets are approved by the President of the Corporation.

The total budgeted rental revenues collected by housing providers for their 2015 fiscal year was $135,298 (2014 - $132,039). The total budgeted operating expenses for housing providers for the 2014 and 2015 fiscal year is as follows:

	2015	2014
Expenses:		
Operating and Administration	$ 70,186	$ 69,028
Taxes and Land Leases	1,362	20,601
Repairs and Maintenance	40,215	34,420
Utilities	47,306	50,369
	$ 159,069	$ 174,418

Under Section 27 of the *Alberta Housing Act*, the Corporation may each year pay a municipality within which any of the Corporation's real property is situated a grant not exceeding the amount that would be recoverable by the municipality if the property were subject to the property taxes of the municipality for that year. To ensure funds spent are targeted to housing programs serving low income Albertans, Budget 2015 included provisions whereby the Corporation will no longer be paying grants in place of taxes on its properties. This reduced total expenses by roughly $21 million for the 2015-16 fiscal year. Expenses remaining in Taxes and Land Leases relate to outstanding land lease agreements and for assessments to cover local improvements.

Annual Report Extracts and Other Statutory Reports

Section 32(1) of Alberta's *Public Interest Disclosure (Whistleblower Protection) Act* requires that a report must be prepared annually on all disclosures under the Act for each department, public entity or office of the Legislature.

The Public Interest Disclosure Office provided the following report to the Deputy Minister of Seniors and Housing on April 1, 2016.

Summary of Public Interest Disclosure Activities for the Ministry of Seniors and Housing for the Period April 1, 2015 to March 31, 2016	
Number of inquiries	0
Number of disclosures of wrongdoing	0
Number of investigations	0
Reports written	0